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| <p>1 a soapbox in that context.</p> <p>2 Q. Certainly, sir, you've had a number of</p> <p>3 communications, I think you talked about, with your</p> <p>4 board members. Since the filing of the bankruptcy, have</p> <p>5 you brought up any of these issues to them and come up</p> <p>6 with a way to fine tune the organization?</p> <p>7 MR. WATSON: Objection, speculation.</p> <p>8 A. It's not unusual to try to address that topic</p> <p>9 in that way, but I came to the conclusion on January</p> <p>10 15th that it had gone much farther than it -- than it</p> <p>11 can be pulled back and corrected.</p> <p>12 Q. (BY MR. CICILIANO) But you believe that the</p> <p>13 bankruptcy process could help it be pulled back and</p> <p>14 corrected. Is that right?</p> <p>15 A. Yes, and --</p> <p>16 MR. WATSON: Objection. I mean, he's</p> <p>17 answered that question.</p> <p>18 THE WITNESS: Yeah.</p> <p>19 Q. (BY MR. CICILIANO) That answer was a yes?</p> <p>20 A. So the bankruptcy filing is --</p> <p>21 MR. WATSON: Same objection.</p> <p>22 A. The bankruptcy filing is actually the symptom</p> <p>23 of a disease.</p> <p>24 Q. (BY MR. CICILIANO) Now do you have any</p> <p>25 personal knowledge of any failures of the current audit</p> <p>Page 146</p> | <p>1 school. And then -- oh. Oh. We're going to have the</p> <p>2 Eddie Eagle program statewide. That's a good one. And</p> <p>3 then -- you know, actually in -- what was it, '92, '93</p> <p>4 I got Eddie Eagle adopted by the largest school district</p> <p>5 ever, you know.</p> <p>6 Q. There you go. Well, to the extent my name</p> <p>7 comes up, speak good words of me. And I appreciate you</p> <p>8 being here.</p> <p>9 MR. CICILIANO: I don't have any further</p> <p>10 questions.</p> <p>11 MR. WATSON: Anyone else?</p> <p>12 MR. PRONSKE: I have got a few more.</p> <p>13 THE WITNESS: Oh, I knew someone would</p> <p>14 have redirect. Okay.</p> <p>15 MR. HENDRIX: Real quick, before you go,</p> <p>16 Gerrit, this is Nick Hendrix for the Committee. And I</p> <p>17 think we'll go ahead and just reserve any questions we</p> <p>18 have for the hearing.</p> <p>19 MR. PRONSKE: Okay.</p> <p>20 MR. WATSON: Well, how much time is left,</p> <p>21 Julie?</p> <p>22 THE REPORTER: Let's see. Now we're at</p> <p>23 2:49. 2:49.</p> <p>24 MR. WATSON: Okay.</p> <p>25 FURTHER EXAMINATION</p> <p>Page 148</p> |
| <p>1 committee?</p> <p>2 A. Not personal knowledge, other than what I've</p> <p>3 read in the minutes and in the petitions.</p> <p>4 Q. When you say the petitions, the petitions of</p> <p>5 the movants here in this case for trustee and a</p> <p>6 dismissal?</p> <p>7 A. No, the petition -- that's not a petition;</p> <p>8 that's a motion. No, the petitions filed by the New</p> <p>9 York Attorney General in that New York case and the</p> <p>10 petition filed by the Washington, D.C. Attorney General</p> <p>11 in that case against The NRA Foundation.</p> <p>12 Q. You made me laugh when you schooled me on the</p> <p>13 difference between a petition and a motion. I</p> <p>14 appreciate that.</p> <p>15 A. I thought you saw that humor there, too.</p> <p>16 Q. I did.</p> <p>17 You mentioned that you have TV tomorrow. Are</p> <p>18 you going on TV to talk about this case?</p> <p>19 A. No. I told them I can't talk about this case</p> <p>20 on TV. But, no, we're going to talk about my friend,</p> <p>21 who is senate majority leader, got a DUI. And we had a</p> <p>22 new trial ordered in a rape. My two friends are running</p> <p>23 for governor against each other, Governor Colyer and the</p> <p>24 Attorney General. And then -- oh, they passed a bill on</p> <p>25 transgender women playing in female sports in high</p> <p>Page 147</p> | <p>1 BY MR. PRONSKE:</p> <p>2 Q. Judge, you testified that your trust in the</p> <p>3 NRA evaporated on January 15th. Can you tell the Court</p> <p>4 what happened on January 15th and the reason that your</p> <p>5 trust evaporated?</p> <p>6 A. You know that answer. Come on. You know,</p> <p>7 okay, so, yeah, that's when I found out about the</p> <p>8 bankruptcy.</p> <p>9 Q. Okay. And what is it about finding out about</p> <p>10 the bankruptcy that evaporated your trust?</p> <p>11 MR. CICILIANO: And I would just object</p> <p>12 and warn the witness not to reveal anything that</p> <p>13 occurred during the executive sessions of the board</p> <p>14 meeting that could be privileged.</p> <p>15 MR. WATSON: He's answered this question,</p> <p>16 Gerrit. I mean, he's answered your question, so I am</p> <p>17 going to object, asked and answered.</p> <p>18 MR. PRONSKE: In the time it took to make</p> <p>19 those objections, I think he could have answered two or</p> <p>20 three times.</p> <p>21 Q. (BY MR. PRONSKE) Go ahead and answer, Judge.</p> <p>22 A. What was it again? You guys talk -- I listen</p> <p>23 to you guys talk so much, I forget --</p> <p>24 Q. What was it about finding out about the</p> <p>25 bankruptcy on January 15th that evaporated your trust?</p> <p>Page 149</p> |

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| <p>1 A. I think you pointed that out when we talked 2 about the Free Beacon article, that I came to the 3 conclusion that I had not been dealt with in good faith 4 or in a forthright manner that I expect of counsel or 5 officers who I am supposed to oversee. 6 Q. Okay. And you also testified in questioning 7 from Mr. Ciciliano that when he asked you what the 8 governance failures were, you said there was the 9 governance failure on January 15th, which he didn't 10 follow up on, but I am going to and ask you, what is it 11 that -- and understanding that January 15th is the day 12 of bankruptcy. How is that a governance failure? 13 A. Well, I think the governance failure, I became 14 aware of it on January 15th, but it obviously occurred 15 during the board meeting on January 7th. 16 Q. Okay. And what is that governance failure? 17 A. The governance failure is essentially what I 18 said in the Free Beacon article, that I felt that I had 19 been misled by the omission of the bankruptcy filing 20 because it's obvious that somebody had been working on 21 that for months. 22 Q. And when you say someone had been working on 23 that for months, is the corollary to that and it had not 24 been discussed with the board? 25 A. I --</p> <p>Page 150</p> | <p>1 MR. WATSON: And it's asked and answered. 2 And, you know, I want you to get your questions in, 3 everyone, but we only agreed to two hours, irregardless 4 of what you guys agreed to. You've had your pass, 5 Gerrit. We let Brian get in, which is fine. And Dylan 6 got his questions in. So I'm okay with some limited 7 follow-up, Gerrit, but my client has been on the bench 8 all day. 9 MR. PRONSKE: I am below my time. And, 10 quite frankly, both of you, the objections you're making 11 are lasting way longer than legitimate answers to 12 legitimate questions. 13 Q. (BY MR. PRONSKE) I would like to know what 14 was the governance failure part of this filing of 15 bankruptcy that you have a problem with. And I would 16 like to get an answer rather than a bunch of objections 17 that are taking time. You can go ahead and answer. 18 MR. CICILIANO: And I would once again -- 19 MR. WATSON: If you -- you know, I'll 20 shut it down. I mean, I've given you -- I've given you 21 time to get your pass. And if that's -- if you want to 22 take it up with Judge Hale, we can do that, but we're 23 not going to sit here and have you ask the same 24 questions over and over again. 25 MR. PRONSKE: The deposition was noticed</p> <p>Page 152</p> |
| <p>1 MR. CICILIANO: Hold on. Hold on. I 2 would object to the attorney/client privilege and direct 3 you not to answer what was discussed or not discussed at 4 the board meeting. 5 MR. WATSON: I am going to object to the 6 form and also on the basis of asked and answered. 7 Would you mind rephrasing your question, 8 Gerrit? 9 MR. PRONSKE: Yeah. 10 Q. (BY MR. PRONSKE) Well, I am basically 11 following up on a question that Mr. Ciciliano asked, 12 which is what were the governance failures, and which 13 obviously opens the door to the answer which was that 14 there was a governance failure on January 15th. And I 15 am trying to understand -- understanding that that 16 January 15th is the day of bankruptcy, what about that 17 bankruptcy filing constituted a governance failure? 18 MR. CICILIANO: And I will object 19 pursuant to the attorney/client privilege. It certainly 20 did not open the door or waive the attorney/client 21 privilege. 22 I would direct you not to respond to the 23 extent it would require you to waive or to disclose what 24 was discussed between attorneys at that executive 25 session.</p> <p>Page 151</p> | <p>1 for four hours, and it's been significantly less than 2 four hours. If you want to shut -- 3 MR. WATSON: That's fine, but I agreed to 4 two, and we've gone over two. 5 MR. PRONSKE: Jermaine, I promise you, 6 this is probably over in about ten minutes. 7 MR. WATSON: All right. But I agreed to 8 two, so let's be clear. 9 MR. PRONSKE: I understand. 10 MR. WATSON: I've got the emails, Gerrit. 11 I don't want to go there. I don't want to fight with 12 you, but I will. 13 MR. ACOSTA: Please let him ask his 14 questions. 15 MR. PRONSKE: We'll talk to the judge 16 about it tomorrow morning. I am completely fine with 17 that. 18 MR. WATSON: Me too. I have no problem 19 with that. 20 MR. ACOSTA: Let's just ask -- can you 21 just give us like 15 more minutes, please? 22 MR. PRONSKE: I set the deposition for 23 four hours. I told the judge -- 24 MR. WATSON: That's fine. That's fine. 25 You also told the judge I didn't agree to it. So --</p> <p>Page 153</p> |

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| <p>1 MR. PRONSKE: Can I finish, please? I</p> <p>2 told the judge yesterday I was going to go for four</p> <p>3 hours and that you hadn't filed an objection, and so</p> <p>4 here we are. And if you would like to shut it down</p> <p>5 based on those facts, I'm fine going in front of the</p> <p>6 judge tomorrow morning. What do you want to do?</p> <p>7 MR. WATSON: Well, what I want to do is</p> <p>8 let you get your opportunity to ask all the questions</p> <p>9 you want, but I don't want you to go and reask the same</p> <p>10 stuff he's already answered.</p> <p>11 MR. PRONSKE: I am going to ask the</p> <p>12 question again, and I would like the record to be clear.</p> <p>13 Q. (BY MR. PRONSKE) For the very first time,</p> <p>14 Judge Journey, you said that the filing of the</p> <p>15 bankruptcy on January 15th was a governance failure. I</p> <p>16 would like to ask you and get an answer because that</p> <p>17 question has not been answered. What is it about the</p> <p>18 January 15th bankruptcy filing that was a governance</p> <p>19 failure?</p> <p>20 A. Let me be clear. The January 15th filing was</p> <p>21 not the governance failure. It was an indication of it,</p> <p>22 that the governance failure I believe occurred happened</p> <p>23 at the January 7th board meeting. And the fact that the</p> <p>24 board was not informed --</p> <p>25 MR. CICILIANO: And I am going to stop</p> <p style="text-align: right;">Page 154</p> | <p>1 MR. WATSON: Right, and that's what I</p> <p>2 instructed my client to say.</p> <p>3 MR. CICILIANO: I understand.</p> <p>4 MR. WATSON: You can answer Gerrit's</p> <p>5 question. But let's move along, guys. It's late.</p> <p>6 A. Oh, you're waiting on me?</p> <p>7 Q. (BY MR. PRONSKE) Yes.</p> <p>8 A. I thought you guys weren't done yet. Okay.</p> <p>9 MR. WATSON: No. No, we're done. We're</p> <p>10 trying to finish up.</p> <p>11 THE WITNESS: Okay.</p> <p>12 A. So look at the Free Beacon article. The</p> <p>13 governance failure was the failure of officers or</p> <p>14 counsel or those the board is dependent on from</p> <p>15 revealing the material fact the bankruptcy was in</p> <p>16 process of being filed at that board meeting.</p> <p>17 MR. CICILIANO: And again, I will move to</p> <p>18 strike based on attorney/client privilege. But go</p> <p>19 ahead.</p> <p>20 Q. (BY MR. PRONSKE) Judge Journey, were there</p> <p>21 any presentations given at the January 7th executive</p> <p>22 session by nonlawyers?</p> <p>23 A. No. I believe Mr. Cotton was the one</p> <p>24 addressing the board regarding those topics.</p> <p>25 Q. Was anyone addressing those topics -- and when</p> <p style="text-align: right;">Page 156</p> |
| <p>1 you there, Judge, and caution you not to get into the</p> <p>2 attorney/client privilege, not to discuss what happened</p> <p>3 in the executive session.</p> <p>4 MR. WATSON: Well, Judge, you can testify</p> <p>5 as to what your understanding was without disclosing</p> <p>6 privilege. You can answer Mr. Pronske's question, to</p> <p>7 the extent you understood -- what your understanding</p> <p>8 was --</p> <p>9 THE WITNESS: Thank you.</p> <p>10 MR. WATSON: -- so we can get past this.</p> <p>11 THE WITNESS: Thank you.</p> <p>12 A. That the governance failure that occurred --</p> <p>13 MR. CICILIANO: It comes to privilege,</p> <p>14 though. If his understanding is informed by counsel, I</p> <p>15 don't think he can.</p> <p>16 MR. WATSON: But he's not saying that it</p> <p>17 did.</p> <p>18 MR. ACOSTA: And Dylan, you can't hide</p> <p>19 the fact of what he voted on.</p> <p>20 MR. WATSON: Right. And he has -- he can</p> <p>21 form his own opinion, Dylan, and it doesn't have to come</p> <p>22 from counsel.</p> <p>23 MR. CICILIANO: Right. And so long as</p> <p>24 it's not formed from counsel or wasn't something counsel</p> <p>25 told him or what he claims counsel didn't tell him --</p> <p style="text-align: right;">Page 155</p> | <p>1 you say "those topics," what exactly are you --</p> <p>2 A. The topics of the executive sessions.</p> <p>3 Mr. Cotton was chairing the meeting.</p> <p>4 Q. Was there anybody giving a presentation at</p> <p>5 that executive session other than Mr. Cotton?</p> <p>6 MR. CICILIANO: Objection to form.</p> <p>7 A. I'm not certain. I am not certain on that.</p> <p>8 Q. (BY MR. PRONSKE) And was Mr. Cotton -- I</p> <p>9 understand Mr. Cotton is an attorney, but was he in his</p> <p>10 capacity as attorney in that meeting? And if so, who</p> <p>11 was he representing?</p> <p>12 A. No, he was not acting as counsel. He was</p> <p>13 acting as first vice president and chairing the meeting</p> <p>14 because the president wasn't there, as I explained</p> <p>15 before.</p> <p>16 Q. Okay. And what did he say during that</p> <p>17 presentation?</p> <p>18 A. That is what happened in executive session</p> <p>19 and --</p> <p>20 MR. CICILIANO: Yeah, I would object</p> <p>21 pursuant to attorney/client privilege and instruct you</p> <p>22 not to answer.</p> <p>23 MR. WATSON: Okay. Yeah, I am going to</p> <p>24 instruct you not to answer.</p> <p>25 MR. PRONSKE: It's not a conversation</p> <p style="text-align: right;">Page 157</p> |

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| <p>1 between an attorney who is acting in the capacity as an 2 attorney and clients. Are you saying it's just because 3 of the presence of attorneys in that room? 4 MR. CICILIANO: No, Gerrit. I'm saying 5 because we have a declaration, as you well know, board 6 counsel who actually explains that they were all 7 discussing attorney/client privilege. So you may want 8 to beat around it and try to snip out portions. It's 9 not going to happen. I am directing him not to answer, 10 as is his counsel. 11 MR. PRONSKE: Who is the attorney that 12 you say was involved in that attorney/client discussion, 13 Mr. Ciciliano? 14 MR. CICILIANO: I believe the declaration 15 says William Davis, as well as counsel from Brewer. 16 MR. PRONSKE: And so just because an 17 attorney was present in the room, all discussions in 18 that executive session were privileged? 19 MR. CICILIANO: No. But if you actually 20 look at the declaration, what they say is that every 21 discussion they had in there was regarding legal advice. 22 So in that instance, yes. 23 MR. PRONSKE: So you're saying that 24 everything that happened in the executive session 25 regarding Wayne LaPierre's employment contract on Page 158</p> | <p>1 board supine, that -- 2 Q. And by supine, you mean subservient? 3 A. I mean supine. It's a little more than that 4 single synonym. 5 Over the years, I have watched the NRA and its 6 operations with the board of directors and officers, and 7 I mean, you know, I know many of them. There's been a 8 pattern that I believe is easily established, where if a 9 board member questions a position, they lose their 10 committee assignments and then they're effectively 11 ostracized, and they basically say, well, I'm not 12 getting paid for this and leave. And so I think we will 13 have several soon. We'll see. Anyway, I expect we're 14 going to have resignations, from what I'm hearing, on 15 the 28th. So we'll see. 16 Q. And will those resignations be, at least to 17 some degree, because the board was not told about the 18 bankruptcy? 19 A. You know, you're going to have ask -- 20 MR. CICILIANO: I am going to object. 21 Calls for speculation. Also is a direct attempt to 22 invade the attorney/client privilege. 23 MR. WATSON: And it's been asked and 24 answered, but go ahead. 25 A. You're going to have to ask them. We'll see Page 160</p> |
| <p>1 January 7th was privileged. Is that right? 2 MR. CICILIANO: For this one, for what 3 I'm seeing, absolutely. 4 MR. PRONSKE: Okay. 5 Q. (BY MR. PRONSKE) And Judge Journey, are you 6 refusing to answer the question based on Mr. Ciciliano's 7 advice? 8 MR. WATSON: Well, it's my advice. I am 9 instructing him not to answer. 10 Q. (BY MR. PRONSKE) Okay. Are you refusing to 11 answer the question based on advice of counsel? 12 A. I am going to defer to counsel, yes. 13 Q. When you said -- when you testified that 14 bankruptcy is not the disease but it's a symptom of the 15 disease, what is the disease? 16 A. I think the disease and its symptoms are 17 described in great detail in the New York Attorney 18 General and the Washington, D.C. Attorney General's 19 petitions. There are other things that I've read in 20 other cases that gave me pause also and concern. 21 Q. When you testified that there have been, 22 quote, so many resignations from the board, why do you 23 believe there have been so many resignations from the 24 board? 25 A. Well, it's part of the process to make the Page 159</p> | <p>1 who resigns and who stays and who wants to stay and fix 2 it. 3 Q. (BY MR. PRONSKE) Have any of the board 4 members that are resigning, have you spoken with any of 5 them and have they told you why they're resigning? 6 A. Several. 7 Q. And what is the reason that you're being given 8 by those persons for resigning? 9 MR. CICILIANO: And I would just object 10 to the extent that the reasons they're giving you are 11 attorney/client privileged. 12 A. You want to know the real reason? Because 13 they don't know how to count noses. 14 Q. (BY MR. PRONSKE) What does that mean? 15 A. That means they don't win. That means they 16 get on their little donkeys and tilted the windmill and 17 lose and then they leave. 18 Q. Have any of those persons told you that the 19 reason that they are resigning is because of the failure 20 to inform the board members of the bankruptcy? 21 MR. CICILIANO: I am going to object -- 22 MR. WATSON: Same objection. 23 MR. CICILIANO: -- to attorney/client 24 privilege and direct you not to answer. 25 MR. PRONSKE: That's not privileged. Page 161</p> |

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| <p>1 That's a --</p> <p>2 Q. (BY MR. PRONSKE) Let me ask you this, Judge</p> <p>3 Journey.</p> <p>4 A. I think if you talk to Mr. -- what's his name,</p> <p>5 the one that resigned after the meeting?</p> <p>6 Q. Relating to the question I just asked you,</p> <p>7 Judge Journey, were any of those conversations with</p> <p>8 those board members as to their resignations, were any</p> <p>9 of those conversations with lawyers present?</p> <p>10 A. No.</p> <p>11 Q. Okay. So did any of these persons tell you</p> <p>12 they're resigning because of the failure of the NRA to</p> <p>13 tell its board that it was going to file bankruptcy?</p> <p>14 MR. CICILIANO: Objection. I am going to</p> <p>15 object and instruct you not to answer on the basis of</p> <p>16 attorney/client privilege.</p> <p>17 MR. PRONSKE: That's not privileged.</p> <p>18 MR. WATSON: I think he can answer that</p> <p>19 one, Dylan.</p> <p>20 MR. CICILIANO: Here is the problem with</p> <p>21 the privilege. You're presupposing a conversation that</p> <p>22 happened during the executive session. You're saying</p> <p>23 this is the conversation that happened and, therefore --</p> <p>24 MR. WATSON: I think he can answer it,</p> <p>25 Dylan, because I don't think Gerrit's question is</p> <p>Page 162</p> | <p>1 A. He said because his lawyers told him to get</p> <p>2 out and because of the bankruptcy. I think that was</p> <p>3 the -- I would characterize his perception that was the</p> <p>4 last straw.</p> <p>5 Q. So when you say because of the bankruptcy, are</p> <p>6 you talking about because the NRA filed bankruptcy or</p> <p>7 because of how they filed bankruptcy without informing</p> <p>8 the board, as you've stated in the article?</p> <p>9 MR. CICILIANO: Gerrit --</p> <p>10 MR. WATSON: Objection. That's a</p> <p>11 compound question. Could you break that down, Gerrit?</p> <p>12 THE WITNESS: Yeah, he's wanting me to</p> <p>13 speculate, and I would suggest you guys take Duane's</p> <p>14 deposition and ask him why he quit.</p> <p>15 Q. (BY MR. PRONSKE) I am not asking you to --</p> <p>16 A. You know, I had like two minutes on the phone</p> <p>17 with him.</p> <p>18 Q. And I am not asking --</p> <p>19 A. And he didn't want to help me, so that's when</p> <p>20 I stopped talking to him.</p> <p>21 Q. Okay. Judge Journey, listen to me for a</p> <p>22 minute. Okay?</p> <p>23 A. I'm trying.</p> <p>24 Q. I am not asking you to speculate. I'm asking</p> <p>25 you did he tell you -- which would not be speculation.</p> <p>Page 164</p> |
| <p>1 limited to that. He's talking about conversations that</p> <p>2 may have been had outside of that.</p> <p>3 MR. PRONSKE: Your objections are really</p> <p>4 problematic, Dylan, and they're going to get in front of</p> <p>5 the judge. And you -- you making an objection to a</p> <p>6 privilege based on a conversation between two people</p> <p>7 with a lawyer not present as to the reason that a board</p> <p>8 member is leaving is not privileged and you know it.</p> <p>9 And just because there was some seed of</p> <p>10 privilege that you can go to many days or weeks before</p> <p>11 that conversation doesn't mean that when one person</p> <p>12 tells another person without a lawyer present why he's</p> <p>13 quitting is somehow privileged. That's just ridiculous.</p> <p>14 MR. WATSON: Judge, you can answer the</p> <p>15 question to the extent that you know.</p> <p>16 A. One board member has resigned since January</p> <p>17 15th.</p> <p>18 Q. (BY MR. PRONSKE) And who is that?</p> <p>19 A. Duane Sutnik (sic).</p> <p>20 Q. And did he --</p> <p>21 A. He runs -- what is it? He's CEO of Magpul.</p> <p>22 Q. And did you speak with Mr. Sutnik (sic) after</p> <p>23 his resignation?</p> <p>24 A. I spoke with him for a brief period one time.</p> <p>25 Q. And did he tell you why he resigned?</p> <p>Page 163</p> | <p>1 Did he tell you why he was resigning?</p> <p>2 A. I think the last -- the straw that broke the</p> <p>3 camel's back was filing the bankruptcy without informing</p> <p>4 the board. Does that answer your question?</p> <p>5 Q. It does. Thank you.</p> <p>6 MR. CICILIANO: And Gerrit, let's be real</p> <p>7 clear about something. If two individuals who are on</p> <p>8 the board are discussing attorney/client privileged</p> <p>9 communications, that still falls within the privilege.</p> <p>10 Whether or not you want to believe it or not, that is</p> <p>11 clearly within the privilege.</p> <p>12 MR. PRONSKE: I'll pass the witness.</p> <p>13 MR. WATSON: Anybody else got any</p> <p>14 questions?</p> <p>15 MR. MASON: I have just got a few</p> <p>16 follow-ups. Real quickly, I promise.</p> <p>17 MR. WATSON: Okay. Go ahead, Brian.</p> <p>18 THE WITNESS: My wife is going to want to</p> <p>19 hear that. Yeah. She's hungry.</p> <p>20 MR. WATSON: Yeah.</p> <p>21 FURTHER EXAMINATION</p> <p>22 BY MR. MASON:</p> <p>23 Q. Judge Journey, with respect to Mr. Cotton's</p> <p>24 presentation, was it a PowerPoint presentation that he</p> <p>25 did?</p> <p>Page 165</p> |

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| <p>1 A. Who?</p> <p>2 Q. I believe you mentioned --</p> <p>3 A. Oh, Mr. Cotton. No, there was no PowerPoint</p> <p>4 in either board meeting.</p> <p>5 Q. Okay. There was some conversation earlier</p> <p>6 about the -- that the creditors committee and members of</p> <p>7 the creditors committee. Do you know how members of the</p> <p>8 creditors committee are selected in a Chapter 11</p> <p>9 bankruptcy?</p> <p>10 A. Correct me if I'm wrong, but the trustee does</p> <p>11 that.</p> <p>12 Q. Okay. And is that your understanding of what</p> <p>13 happened in this particular case?</p> <p>14 A. I did watch the motion where somebody else</p> <p>15 wanted on the creditors committee, yes.</p> <p>16 Q. And I guess just to be --</p> <p>17 A. That would be about all I know.</p> <p>18 Q. And I guess just to be clear when you say "the</p> <p>19 trustee," are you referring to the US Trustee?</p> <p>20 A. Yes.</p> <p>21 Q. Can you describe Mr. LaPierre's -- let me ask</p> <p>22 it this way.</p> <p>23 Is Mr. LaPierre, does he have a close</p> <p>24 relationship with a lot of members of the board?</p> <p>25 MR. WATSON: Calls for speculation.</p> <p style="text-align: right;">Page 166</p> | <p>1 always --</p> <p>2 MR. WATSON: Well, hold on, Judge. Hold</p> <p>3 on, Judge. I don't want you to speculate on what you</p> <p>4 may remember and what you may not remember.</p> <p>5 THE WITNESS: Yeah, I would hate to get</p> <p>6 it wrong, because I'm sure she would point that out to</p> <p>7 me, too.</p> <p>8 MR. MASON: I think that's all I've got.</p> <p>9 Thank you, Judge.</p> <p>10 THE WITNESS: Thank you.</p> <p>11 MS. EISENBERG: Mr. Watson --</p> <p>12 MR. WATSON: Yeah.</p> <p>13 MS. EISENBERG: -- your client referred</p> <p>14 to a Mr. Sutnik. I suspect he may have misspoken</p> <p>15 inadvertently. There is an individual by the name of</p> <p>16 the Duane Liptak. Would you like to ask your client if</p> <p>17 that's the last name he intended to use?</p> <p>18 THE WITNESS: She is absolutely right.</p> <p>19 Yes. Thank you.</p> <p>20 MR. WATSON: And could you state your</p> <p>21 name for the record, Counsel?</p> <p>22 THE WITNESS: It was only one time, you</p> <p>23 know.</p> <p>24 MR. CICILIANO: That's Svetlana. She's</p> <p>25 already made an appearance.</p> <p style="text-align: right;">Page 168</p> |
| <p>1 Yeah, I object to that.</p> <p>2 A. Yeah, I don't know. I don't know. I have no</p> <p>3 idea. You know, I'm sure there's a handful, I'm</p> <p>4 guessing, but I can't even tell you who they are.</p> <p>5 Q. (BY MR. MASON) Have you spoken with Marion</p> <p>6 Hammer since January 15th?</p> <p>7 A. No, but she emailed me a wonderful thing.</p> <p>8 Q. And was it just you and her on that particular</p> <p>9 email?</p> <p>10 A. I didn't respond.</p> <p>11 Q. What did Ms. Hammer tell you in that email?</p> <p>12 A. I'd have to like search my Google. Oh, my</p> <p>13 God, that's so far ago. Basically that she knew I</p> <p>14 shouldn't have got on the board, and she was right all</p> <p>15 along.</p> <p>16 Q. I'm sorry. Can you say that one more time?</p> <p>17 A. That I should not have been elected to the</p> <p>18 board, and she was right all along.</p> <p>19 Q. Anything else that she said in that email? Do</p> <p>20 you have it in front of you? Do you have access to it</p> <p>21 on your computer right there?</p> <p>22 MR. WATSON: I will object to that. I am</p> <p>23 going to object to that. It's not in evidence, Brian.</p> <p>24 And he's testified from his memory what was said, so --</p> <p>25 A. Something about -- something about how I</p> <p style="text-align: right;">Page 167</p> | <p>1 MR. WATSON: Okay. But -- yeah, yeah.</p> <p>2 But she's talking. She didn't identify herself, Dylan.</p> <p>3 MR. CICILIANO: No, I appreciate that it.</p> <p>4 MR. WATSON: Yeah.</p> <p>5 MS. EISENBERG: It's nice to meet you.</p> <p>6 I'm Svetlana Eisenberg. We are Proposed Special</p> <p>7 Counsel for Debtors.</p> <p>8 MR. WATSON: Oh, I understand. I just</p> <p>9 wanted to, you know, make sure that on the written</p> <p>10 record that your question --</p> <p>11 MS. EISENBERG: I appreciate it.</p> <p>12 MR. WATSON: Yeah.</p> <p>13 MS. EISENBERG: Thank you.</p> <p>14 MR. WATSON: Did he give you the answer</p> <p>15 you were seeking?</p> <p>16 MS. EISENBERG: Yes, I believe --</p> <p>17 THE WITNESS: She gave me the answer.</p> <p>18 MS. EISENBERG: -- the Judge confirmed,</p> <p>19 yeah.</p> <p>20 MR. WATSON: Okay. Great.</p> <p>21 Do you guys have any questions, Gerrit? I</p> <p>22 want everyone to be happy.</p> <p>23 THE WITNESS: Yeah.</p> <p>24 MR. WATSON: I don't want to cut you off.</p> <p>25 THE WITNESS: Yeah.</p> <p style="text-align: right;">Page 169</p> |

1 MR. PRONSKE: I will be happy to press
2 "leave" here.
3 MR. WATSON: I know, but it's my job to
4 rough you up a little bit, Gerrit.
5 But seriously, do you have any more questions,
6 Gerrit?
7 MR. PRONSKE: Thank you.
8 MR. WATSON: You do or you don't?
9 MR. PRONSKE: I do not. Thank you.
10 MR. WATSON: Okay. Okay. Great.
11 Anybody else? You Dylan?
12 MR. CICILIANO: No.
13 MR. WATSON: Okay. Can we go off the
14 record then, Julie?
15 THE VIDEOGRAPHER: This is Zack, the
16 videographer. We have taken all transcript and video
17 orders off the record. The time is 7:57. We are off
18 the record.
19 (Proceedings ended at 7:57 p.m.)
20
21
22
23
24
25

Page 170

1 CHANGES AND SIGNATURE
2 WITNESS NAME: PHILLIP JOURNEY
3 DATE OF DEPOSITION: MARCH 18, 2021
4 PAGE LINE CHANGE REASON
5 _____
6 _____
7 _____
8 _____
9 _____
10 _____
11 _____
12 _____
13 _____
14 _____
15 _____
16 _____
17 _____
18 _____
19 _____
20 _____
21 _____
22 _____
23 _____
24 _____
25 _____

Page 171

1 I, PHILLIP JOURNEY, have read the foregoing
2 deposition and hereby affix my signature that same is
3 true and correct, except as noted above.
4
5 _____
6 PHILLIP JOURNEY
7
8 THE STATE OF _____)
9 COUNTY OF _____)
10 Before me, _____, on
11 this day personally appeared PHILLIP JOURNEY, known to
12 me (or proved to me under oath or through
13 _____) (description of identity
14 card or other document) to be the person whose name is
15 subscribed to the foregoing instrument and acknowledged
16 to me that they executed the same for the purposes and
17 consideration therein expressed.
18 Given under my hand and seal of office this
19 _____ day of _____, _____.
20
21
22 _____
23 NOTARY PUBLIC IN AND FOR
24 THE STATE OF _____
25

Page 172

1 STATE OF TEXAS)
2 COUNTY OF DALLAS)
3 I, Julie C. Brandt, Certified Shorthand
4 Reporter in and for the State of Texas, certify that the
5 foregoing deposition of HONORABLE PHILLIP JOURNEY was
6 reported stenographically by me remotely via Zoom, said
7 witness having been placed under oath by me, and the
8 deposition is a true record of the testimony given by
9 the witness;
10 That the amount of time used by attorneys at
11 the deposition is as follows:
12 Mr. Pronske - 1 hour, 49 minutes
13 Mr. Ciciliano - 59 minutes
14 Mr. Mason - 23 minutes
15 I further certify that I am neither counsel
16 for, nor related to any party in the cause and am not
17 financially interested in its outcome.
18 In witness whereof, I have subscribed my name
19 this 19th day of March, 2021.
20
21 *Julie C. Brandt*
22 Julie C. Brandt, CSR, KMR, CRR
23 TX CSR No. 4018, Exp. 10/31/21
24 Veritext Legal Solutions
25 Firm Registration No. 571
300 Throckmorton Street, Suite 1600
Fort Worth, Texas 76102
817-336-3042

Page 173

1 jermaine.watson@bondsellis.com

2 March 19, 2021

3 RE: In Re: National Rifle Association Of America And Sea Girt

4 DEPOSITION OF: Honorable Phillip Journey (# 4504406)

5 The above-referenced witness transcript is

6 available for read and sign.

7 Within the applicable timeframe, the witness

8 should read the testimony to verify its accuracy. If

9 there are any changes, the witness should note those

10 on the attached Errata Sheet.

11 The witness should sign and notarize the

12 attached Errata pages and return to Veritext at

13 errata-tx@veritext.com.

14 According to applicable rules or agreements, if

15 the witness fails to do so within the time allotted,

16 a certified copy of the transcript may be used as if

17 signed.

18 Yours,

19 Veritext Legal Solutions

20

21

22

23

24

25

Page 174

EXHIBIT 9

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:)
) Case No.
NATIONAL RIFLE ASSOCIATION) 21-30085-hdh-11
OF AMERICA AND SEA GIRT, LLC)
) Chapter 11
Debtors.)

VIDEOTAPED ORAL DEPOSITION OF
JOHN FRAZER IN HIS PERSONAL CAPACITY
MARCH 18, 2021

CONFIDENTIAL PURSUANT TO PROTECTIVE ORDER
(Reported Remotely)

| | |
|--|--|
| <p>1 2 On the 18th day of March, 2021, at 9:28 a.m. 3 Eastern Time, the videotaped oral deposition of the 4 above-named witness was taken at the instance of The 5 State of New York, via Zoom video conference, before 6 Michelle L. Munroe, Certified Shorthand Reporter in 7 and for the State of Texas, the Witness located at 8 National Rifle Association, 11250 Waples Mill Road, 9 Fairfax, Virginia, pursuant to Notice, the 10 Thirty-Sixth Emergency Order Regarding the COVID-19 11 State of Disaster, and the agreement hereinafter set 12 forth. 13 14 15 16 17 18 19 20 21 22 23 24 25</p> <p style="text-align: right;">Page 2</p> | <p>1 A P P E A R A N C E S (continued) 2 FOR THE OFFICE OF THE NEW YORK STATE ATTORNEY GENERAL: 3 Mr. Eric Van Horn (via Zoom) Mr. Jason Kathman (via Zoom) 4 Mr. Gerrit Pronske (via Zoom) SPENCER FANE LLP 5 2200 Ross Avenue, Suite 4800 West Dallas, Texas 75201 6 214.750.3610 telephone ericvanhorn@spencerfane.com 7 8 9 FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS: Mr. Scott Drake (via Zoom) Mr. Tim Carney (via Zoom) 10 NORTON ROSE FULBRIGHT US LLP 2200 Ross Avenue, Suite 3600 11 Dallas, Texas 75201 214.855.8341 telephone 12 scott.drake@nortonrosefulbright.com tim.carney@nortonrosefulbright.com 13 14 15 FOR JUDGE PHILLIP JOURNEY AND ROCKY MARSHALL: Mr. Jermaine Watson (via Zoom) BONDS ELLIS EPPICH SCHAFFER JONES LLP 16 420 Throckmorton Street, Suite 1000 Fort Worth, Texas 76102 17 817.529.2724 telephone jermaine.watson@bondsellis.com 18 19 20 FOR ACKERMAN MCQUEEN, INC.: Mr. Mike Gruber (via Zoom) Mr. Joseph Acosta (via Zoom) 21 Ms. Kelsey Taylor (via Zoom) Ms. Kymberlee Milligan (via Zoom) 22 DORSEY & WHITNEY LLP 300 Crescent Court 23 Suite 400 Dallas, Texas 75201 24 214.981.9929 telephone gruber.mike@dorsey.com 25</p> <p style="text-align: right;">Page 4</p> |
| <p>1 A P P E A R A N C E S 2 FOR THE DEBTORS: Mr. Gregory E. Garman 3 Mr. Dylan T. Ciciliano (via Zoom) GARMAN TURNER GORDON LLP 4 7251 Amigo Street, Suite 210 Las Vegas, Nevada 89119 5 702.777.3000 telephone ggarman@gtg.legal 6 7 8 PROPOSED SPECIAL COUNSEL TO THE DEBTORS: Ms. Svetlana Eisenberg (via Zoom) BREWER ATTORNEYS & COUNSELORS 9 1717 Main Street Suite 5900 10 Dallas, Texas 75201 sme@brewerattorneys.com 11 12 13 FOR JOHN FRAZER: Mr. William B. Fleming (via Zoom) Ms. Ellen Johnson (via Zoom) 14 GAGE SPENCER & FLEMING LLP 410 Park Avenue, Floor 9 15 New York, New York 10022-9492 212.768.4900 telephone wfleming@gagespencer.com 16 17 18 FOR THE OFFICE OF THE NEW YORK STATE ATTORNEY GENERAL: 19 Ms. Emily Stern (via Zoom) Mr. Stephen Thompson (via Zoom) 20 Ms. Yael Fuchs (via Zoom) Ms. Sharon Sash (via Zoom) 21 OFFICE OF THE ATTORNEY GENERAL 28 Liberty Street, 18th Floor 22 New York, New York 10005 212.416.8401 telephone 23 emily.stern@ag.ny.gov 24 25</p> <p style="text-align: right;">Page 3</p> | <p>1 A P P E A R A N C E S (continued) 2 FOR THE OFFICE OF THE U.S. TRUSTEE: Ms. Juliet M. Sarkessian (via Zoom) 3 UNITED STATES TRUSTEE 844 King Street 4 Room 2207 Wilmington, Delaware 19801 5 302.573.6491 telephone juliet.m.sarkessian@usdoj.gov 6 7 Mr. Marc F. Salitore (via telephone) UNITED STATES TRUSTEE 8 1100 Commerce Street Room 976 9 Dallas, Texas 75242 marc.f.salitore@usdoj.gov 10 11 12 ALSO PRESENT: Ellen Hebert, Video Technician 13 14 [Reporter's note: Physically present at the deposition location were Mr. Frazer, Mr. Garman, 15 Ms. Eisenberg and Ms. Ellen Herbert, the videographer. Everyone else attended remotely via 16 Zoom and/or telephone.] 17 18 19 20 21 22 23 24 25</p> <p style="text-align: right;">Page 5</p> |

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|--|---|
| <p>1 INDEX</p> <p>2 WITNESS PAGE</p> <p>3 JOHN FRAZER</p> <p>4 Examination by Ms. Stern..... 11</p> <p>5 Examination by Mr. Gruber..... 232</p> <p>6 Examination by Ms. Sarkessian..... 300</p> <p>7 Examination by Mr. Drake..... 307</p> <p>8 NYAG DEPOSITION EXHIBITS: IDENTIFIED</p> <p>9 Exhibit 1 January 19, 2021 Liptak resignation letter..... 39</p> <p>10 Exhibit 2 January 15, 2021 Announcement from Wayne LaPierre..... 101</p> <p>11 Exhibit 3 NRA Upper Management Seminar, Compliance and Governance Refresher presentation..... 176</p> <p>12 Exhibit 4 Policy manual excerpt, Conflict of Interest and Related Party Transaction Policy..... 191</p> <p>13 Exhibit 5 September 8, 2018 board meeting minutes excerpt..... 203</p> <p>14 Exhibit 6 January 5, 2019 board meeting minutes excerpt..... 209</p> <p>15 Exhibit 7 April 29, 2019 board meeting minutes excerpt..... 209</p> <p>16</p> <p>17</p> <p>18</p> <p>19 ACKERMAN MCQUEEN EXHIBITS: IDENTIFIED</p> <p>20</p> <p>21</p> <p>22 Exhibit 1. Voluntary Petition for Non- Individuals Filing for Bankruptcy..... 281</p> <p>23</p> <p>24</p> <p>25</p> <p style="text-align: right;">Page 6</p> | <p>1 PROCEEDINGS</p> <p>2 THE VIDEOGRAPHER (VIA ZOOM): Good</p> <p>3 morning. We are going on the record at 9:28 a.m.</p> <p>4 Today is March 18, 2021. Please note that the</p> <p>5 microphones are sensitive and may pick up whispering,</p> <p>6 private conversations, and cellular interference.</p> <p>7 Please turn off all cell phones or place them away</p> <p>8 from the microphones, as they can interfere with the</p> <p>9 deposition audio. Audio and video recording will</p> <p>10 continue until -- until both parties agree to go off</p> <p>11 the record.</p> <p>12 This is media unit 1 of the video</p> <p>13 deposition of John Frazer in his personal capacity</p> <p>14 taken by counsel for the debtors in In Re: National</p> <p>15 Rifle Association of America and Sea Girt, LLC, filed</p> <p>16 in the United States Bankruptcy Court for the</p> <p>17 Northern District of Texas, Dallas Division, Case</p> <p>18 Number 21-30085-hdh-11.</p> <p>19 This deposition is being held at</p> <p>20 National Rifle Association, located at 11250 Waples</p> <p>21 Mill Road, Fairfax, Virginia.</p> <p>22 My name is Ellen Hebert from Veritext.</p> <p>23 I am the videographer. The court reporter is</p> <p>24 Michelle Munroe from Veritext.</p> <p>25 Will counsel please state their</p> <p style="text-align: right;">Page 8</p> |
| <p>1 ACKERMAN MCQUEEN EXHIBITS: IDENTIFIED</p> <p>2 (continued)</p> <p>3 Exhibit 8 Resolution Formalizing Special</p> <p>4 Litigation Committee..... 286</p> <p>5 Exhibit 11 Bylaws..... 278</p> <p>6 Exhibit 12 Wayne R. LaPierre Employment</p> <p>7 Agreement..... 291</p> <p>8</p> <p>9 Exhibit 13 January 20, 2021 transcript</p> <p>10 of Motion for Joint</p> <p>11 Administration..... 268</p> <p>12</p> <p>13 Exhibit 24 Global Notes, Methodology,</p> <p>14 Statement of Limitations, and</p> <p>15 Disclaimers Regarding The</p> <p>16 Debtors' Schedules of Assets</p> <p>17 and Liabilities and Statements</p> <p>18 of Financial Affairs..... 266</p> <p>19 Exhibit 76 NRA Leadership Quotes..... 265</p> <p>20 Exhibit 102 Transcript of 341 Meetings of</p> <p>21 Creditors Sea Girt, LLC,</p> <p>22 March 5, 2021..... 292</p> <p>23 Exhibit 107 January 15, 2021 email re:</p> <p>24 Announcement from Wayne</p> <p>25 LaPierre..... 257</p> <p>Exhibit 130 Transcript of John Frazer as</p> <p>Corporate Representative</p> <p>March 15, 2021..... 274</p> <p>Exhibit 131 Transcription of 341 Meetings</p> <p>of Creditors Sea Girt, LLC,</p> <p>March 12, 2021..... 294</p> <p>UCC EXHIBITS: IDENTIFIED</p> <p>Exhibit 1.. Debtors' Omnibus Response..... 318</p> <p style="text-align: right;">Page 7</p> | <p>1 appearances for the record beginning with the</p> <p>2 noticing attorney.</p> <p>3 MS. STERN (VIA ZOOM): Yes. My name</p> <p>4 is Emily Stern. I'm an Assistant Attorney General</p> <p>5 with the New York State Attorney General's Office and</p> <p>6 in the Charities Bureau.</p> <p>7 MR. THOMPSON (VIA ZOOM): Good</p> <p>8 morning. My name is Stephen Thompson. I'm also an</p> <p>9 Assistant Attorney General in the New York State</p> <p>10 Office of the Attorney General.</p> <p>11 MR. GRUBER (VIA ZOOM): My name is</p> <p>12 Mike Gruber with the Dorsey law firm, and I represent</p> <p>13 Ackerman McQueen.</p> <p>14 MR. DRAKE (VIA ZOOM): Good morning.</p> <p>15 This is Scott Drake from Norton Rose Fulbright on</p> <p>16 behalf of the Official Committee of Unsecured</p> <p>17 Creditors.</p> <p>18 MR. WATSON (VIA ZOOM): Good morning.</p> <p>19 This is Jermaine Watson of Bonds Ellis Eppich Schafer</p> <p>20 & Jones, LLP. I'm appearing on behalf of Judge</p> <p>21 Phillip Journey and Rocky Marshall.</p> <p>22 MR. GARMAN (VIA ZOOM): All right.</p> <p>23 Hearing no more appearances, this is Greg Garman with</p> <p>24 the law firm Garman Turner Gordon, counsel to the</p> <p>25 debtors. With me today is Mr. Frazer.</p> <p style="text-align: right;">Page 9</p> |

1 And, Will, do you want to make your
2 appearance and then we'll have Svetlana make hers?
3 MR. FLEMING (VIA ZOOM): Yeah, William
4 Fleming, Gage Spencer & Fleming, LLP, in New York
5 City for Mr. Frazer.
6 MS. EISENBERG (VIA ZOOM): Good
7 morning -- good morning, this is Svetlana Eisenberg,
8 Brewer Attorneys & Counselors, proposed special
9 counsel for the debtors.
10 MS. SARKESSIAN (VIA ZOOM): Juliet
11 Sarkessian is on the line. I'm a trial attorney with
12 the Office of the U.S. Trustee.
13 JOHN FRAZER,
14 having been first duly sworn, testified as follows:
15 EXAMINATION
16 BY MS. STERN (VIA ZOOM):
17 Q. Good morning, Mr. Frazer. As I introduced
18 myself a moment ago in my appearances, I'm Emily
19 Stern, and I'm the co-chief of the enforcement
20 section of the Charities Bureau.
21 You're appearing here today pursuant to a
22 notice of deposition; isn't that correct?
23 A. Yes.
24 Q. And you're aware that your testimony here
25 today is under oath, correct?

Page 10

1 A. Yes.
2 Q. And that it's no different than if you
3 were -- than if you were testifying in open court,
4 correct?
5 A. Yes.
6 Q. You're an experienced attorney.
7 How many years have you been practicing,
8 Mr. Frazer?
9 A. I was admitted to the bar in 2008.
10 Q. And how many years have you been
11 practicing as a lawyer since you were admitted?
12 A. Well, I was -- I was involved in -- in
13 legal matters involving the NRA Institute for
14 Legislative Action from the time I was admitted.
15 You know, I worked there throughout law school and I
16 was involved in legislative drafting and -- and
17 supporting NRA Second Amendment litigation during
18 that time. And been in -- and then I was in private
19 practice and then I returned to the NRA. So I've
20 been continuously involved in legal affairs since
21 2008.
22 Q. And you have been a general counsel of the
23 NRA since 2015; isn't that correct?
24 A. That's correct.
25 Q. And -- and was it the two years

Page 11

1 immediately prior to becoming general counsel that
2 you were in private practice?
3 A. Yes.
4 Q. Okay. And since you testified earlier
5 this week, I know that you're familiar with the
6 process of a deposition, correct?
7 A. Yes.
8 Q. And you've -- you've testified at other
9 depositions; is that right?
10 A. I have given one -- one other deposition.
11 Q. And that was in a lawsuit involving
12 Ackerman McQueen, correct?
13 A. Yes.
14 Q. Okay. So we don't -- I don't think we
15 need to go through the ground rules. And today
16 they're particularly unusual because we're doing
17 this virtually and we have spent quite a lot of time
18 getting set up.
19 So do you have -- are there any health
20 conditions affecting you today that would affect
21 your ability to testify accurately and truthfully?
22 A. No.
23 Q. And are you taking any medications that
24 would affect your ability to testify accurately and
25 truthfully today?

Page 12

1 A. No.
2 Q. Are you aware of any other conditions that
3 would affect your ability to testify accurately and
4 truthfully today?
5 A. No.
6 Q. Okay. And there are, I think, three
7 different attorneys that have identified themselves
8 as appearing for you today.
9 Can -- can you explain to me your
10 relationship to each of those attorneys starting
11 with Mr. Garman?
12 A. Sure. Excuse me. Mr. Garman is counsel
13 for the NRA and Sea Girt as debtor, Ms. Eisenberg is
14 proposed special counsel to the NRA, and Mr. Fleming
15 is my personal attorney.
16 Q. Okay. And over the course of this morning
17 and this afternoon as we -- I ask you questions, if
18 you don't understand a question, please let me know
19 and ask me to clarify.
20 Do we understand each other?
21 A. Sure.
22 Q. Okay. And if -- if you don't ask me for
23 such clarification, I'm going to assume you
24 understand my questions. Okay?
25 A. Okay.

Page 13

| | |
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| <p>1 Q. Very good. 2 What did you do to prepare for today's 3 deposition? 4 A. I met -- I met with counsel. 5 Q. Which counsel? 6 A. I met with Mr. Garman and two of his 7 colleagues, Ms. Kozlowski, and -- I'm -- I'm sorry, 8 I'm afraid -- 9 MR. GARMAN (VIA ZOOM): 10 Ms. Pilatowicz. 11 A. I didn't recall her last name. Yeah. 12 I also spoke briefly on a couple of 13 occasions with Ms. Eisenberg and I spoke with 14 Mr. Brewer and Mr. Fleming. 15 Q. And when you said that you -- you spoke 16 with Ms. Eisenberg, was she present either, you 17 know, virtually or physically in the room when you 18 were preparing with Mr. Garman and his colleagues? 19 A. No, it was a separate -- I think it was 20 actually only one conversation. It was a quick 21 phone -- a quick phone call. 22 Q. Okay. And then the same question with 23 respect to -- did you say it was Bill Brewer that 24 you spoke to? 25 A. Yes. We spoke with Mr. Brewer by phone.</p> <p style="text-align: right;">Page 14</p> | <p>1 review sheet for Allegiance and at a -- at an email 2 regarding a -- a subject that I had been asked about 3 at the other day's deposition. These were all 4 regarding Allegiance. 5 Q. And who was that email -- who were the 6 parties on that email? 7 A. It was an email from Craig Spray to me and 8 to Ms. Rogers for the -- from the -- with the Brewer 9 firm. 10 Q. And that email helped refresh your 11 recollection around the events that you were not 12 able to answer questions about on Monday; isn't that 13 correct? 14 MR. GARMAN (VIA ZOOM): Object to 15 form. 16 Go ahead. 17 A. Slightly. 18 Q. Slightly. Okay. 19 MS. STERN (VIA ZOOM): Can we take 20 just a quick second off the record. 21 MR. GARMAN (VIA ZOOM): Sure. 22 THE VIDEOGRAPHER (VIA ZOOM): Going 23 off the record. The time is 9:38 a.m. 24 (Recess 9:38 to 9:41 a.m.) 25 THE VIDEOGRAPHER (VIA ZOOM): Going</p> <p style="text-align: right;">Page 16</p> |
| <p>1 Q. And Mr. Fleming -- 2 A. Mr. Fleming -- 3 Q. -- did he participate in the -- in the 4 preparation virtually? 5 A. By -- part of it virtually and part of it 6 by phone. 7 Q. Okay. And in the course of your 8 preparation, did you review any documents? 9 A. I don't think so. 10 Q. Okay. Any other materials that were used 11 to refresh your recollection? 12 A. Actually, I did look at a -- at a set of 13 contracts -- of contracts related to Allegiance 14 Consulting which I had been asked about the other 15 day in the 30(b)(6) deposition. 16 Q. Okay. 17 A. Or Allegiance Creative Group, just to be 18 clear. 19 Q. Okay. And those were just contracts? 20 A. Yes. 21 Q. Okay. No communications? 22 MR. FLEMING (VIA ZOOM): Object to 23 form. 24 A. Okay. So actually I still looked at the 25 contracts, and I also looked at a draft contract</p> <p style="text-align: right;">Page 15</p> | <p>1 back on the record. The time is 9:41 a.m. 2 THE WITNESS (VIA ZOOM): Okay. And -- 3 and if I can start with something I remembered during 4 that interlude, I also yesterday reviewed some emails 5 regarding Mr. Phillips, Woody Phillips, our former 6 treasurer. 7 MS. STERN (VIA ZOOM): So just to 8 state on the record, we're going to ask for 9 production of those materials that he reviewed in 10 preparation that he indicated were -- assisted in his 11 recollection of events. 12 MR. GARMAN (VIA ZOOM): Yeah, and, 13 Emily, just on that point, these were not documents 14 that we asked Mr. Frazer to review, so I hear your 15 request. I'm just going to have to look at them to 16 ensure they're -- they're not privileged. Just 17 letting you know they weren't at our direction, so I 18 have to look at them. 19 MS. STERN (VIA ZOOM): Okay. Well, 20 our request still stands. 21 Q. Mr. Frazer, you are also the secretary of 22 the NRA; isn't that right? 23 A. Yes. 24 Q. And you have held that role since 2015 25 also?</p> <p style="text-align: right;">Page 17</p> |

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| <p>1 A. That's correct.</p> <p>2 Q. Did you become the secretary simultaneous</p> <p>3 with becoming the general counsel?</p> <p>4 A. No. I -- I initially returned to the NRA</p> <p>5 as general counsel, and then a few months later, I</p> <p>6 was elected as secretary.</p> <p>7 Q. Okay. And can you describe your role and</p> <p>8 responsibilities as a secretary?</p> <p>9 A. Sure. The secretary, under the bylaws, is</p> <p>10 responsible for maintaining the -- the Association's</p> <p>11 archives and for dealing with meeting notices and</p> <p>12 such and also serves as the secretary of the board,</p> <p>13 the executive committee, the nominating committee,</p> <p>14 and the committee on elections. So essentially it's</p> <p>15 an administrative role with respect to -- with</p> <p>16 respect to board-related activities.</p> <p>17 Q. And do you have any substantive role with</p> <p>18 respect to board-related activities?</p> <p>19 MR. GARMAN (VIA ZOOM): Objection as</p> <p>20 to form.</p> <p>21 Go ahead if you understand.</p> <p>22 A. You know, for the most part the strictly</p> <p>23 secretarial duties are administrative, but as</p> <p>24 corporate officer, I'm -- you know, I'm involved in</p> <p>25 decisions. I'm -- I'm involved in discussions</p> <p>Page 18</p> | <p>1 work with the executive vice president.</p> <p>2 Q. So about how frequently are you in</p> <p>3 communication with Mr. LaPierre, the executive vice</p> <p>4 president, concerning duties as a secretary?</p> <p>5 A. Probably -- well, it depends how close we</p> <p>6 are to a board meeting, but probably once or twice a</p> <p>7 week on -- on secretary's office matters.</p> <p>8 Q. Okay. And then how -- who do you</p> <p>9 primarily interface with on the board with respect</p> <p>10 to matters regarding secretarial affairs?</p> <p>11 A. Be the president, Ms. Meadows; first vice</p> <p>12 president, Mr. Cotton; sometimes the second vice</p> <p>13 president, Mr. Lee, and then -- I'm sorry.</p> <p>14 Did you ask about the board generally</p> <p>15 about secretary's office issues?</p> <p>16 Q. Yes.</p> <p>17 A. That would be -- those would be the big --</p> <p>18 the big three. But, of course, I'm the committee</p> <p>19 secretary to several committees, so I would work</p> <p>20 with the -- the chairman of those committees and --</p> <p>21 and -- and -- but I'm also accessible and available</p> <p>22 to any board member, and they routinely call me with</p> <p>23 questions about -- you know, about NRA issues.</p> <p>24 Q. Who is the current chair of the legal</p> <p>25 affairs committee?</p> <p>Page 20</p> |
| <p>1 about, you know, potential courses of conduct of the</p> <p>2 Association and so on in general terms.</p> <p>3 Q. Okay. And to whom do you report in your</p> <p>4 role as secretary?</p> <p>5 A. So under the bylaws, the secretary</p> <p>6 reports -- the secretary works under the direction</p> <p>7 of the executive vice president but, of course, is</p> <p>8 elected by the board and -- and, you know, in an</p> <p>9 involuntary removal situation can only be removed by</p> <p>10 the board.</p> <p>11 Q. And is that the practice --</p> <p>12 MR. GARMAN (VIA ZOOM): Objection as</p> <p>13 to form.</p> <p>14 Q. -- that you report -- I'm sorry. Let me</p> <p>15 restate the question.</p> <p>16 Is it the practice that you report to the</p> <p>17 executive vice president?</p> <p>18 A. It depends on the -- it depends on the</p> <p>19 issue at hand. A lot of the time in the secretarial</p> <p>20 role as a -- as a practical matter, I'm working with</p> <p>21 the -- with the board officers, the president and</p> <p>22 the vice presidents, regarding things like planning</p> <p>23 for upcoming meetings or -- you know, or -- or</p> <p>24 conducting meetings when they're going on. And then</p> <p>25 with respect to -- to some day-to-day activities, I</p> <p>Page 19</p> | <p>1 A. Sandra Froman.</p> <p>2 Q. Okay. So I would -- how -- you said you</p> <p>3 primarily have contacts in terms at the officer</p> <p>4 level with Ms. Meadows and Mr. Cotton; is that</p> <p>5 right?</p> <p>6 A. Yes.</p> <p>7 Q. And -- and how often would you say that</p> <p>8 you're in contact with them about board-related</p> <p>9 matters?</p> <p>10 A. Again, that often depends how close we are</p> <p>11 to a board meeting but, you know, maybe two or three</p> <p>12 times a week each. Sometimes it's on a -- excuse</p> <p>13 me -- sometimes it's on a conference call with both</p> <p>14 of them.</p> <p>15 Q. And the form of -- what's the form of your</p> <p>16 communications with them typically?</p> <p>17 A. You mean the communication method?</p> <p>18 Q. Yes.</p> <p>19 A. Telephone, email, or text, depending on --</p> <p>20 on what we're trying to communicate about.</p> <p>21 Q. What is the typical method of</p> <p>22 communication with Mr. LaPierre?</p> <p>23 A. Telephone or sometimes in person, at least</p> <p>24 pre-COVID.</p> <p>25 Q. And Mr. LaPierre does not use email; is</p> <p>Page 21</p> |

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| <p>1 that correct?</p> <p>2 A. Mr. LaPierre has an email account, but my</p> <p>3 understanding is that he's -- he's not usually the</p> <p>4 one -- he's not the one personally using it.</p> <p>5 Q. So if you needed to get a message to</p> <p>6 Mr. LaPierre, whether as a general counsel or as the</p> <p>7 secretary, what would be the means that you would</p> <p>8 use?</p> <p>9 A. It would depend on the urgency. If it's</p> <p>10 something where, for example, I'm forwarding a</p> <p>11 document that -- that may need his signature, I</p> <p>12 might email it. Although normally I would -- in</p> <p>13 that case, I would email it to one of his -- his</p> <p>14 staff.</p> <p>15 Sometimes I will copy him on emails for</p> <p>16 the record knowing that they're going to his staff.</p> <p>17 If I really need to talk to him, I'll either -- I'll</p> <p>18 either contact one of his immediate staff to arrange</p> <p>19 a meeting or I'll just call him on the phone. But</p> <p>20 telephone is -- telephone, especially lately, is by</p> <p>21 far the most common way I communicate with him.</p> <p>22 Q. And when -- is it your understanding that</p> <p>23 if you are emailing him something for the record --</p> <p>24 A. Uh-huh.</p> <p>25 Q. -- that his staff would bring it to his</p> <p>Page 22</p> | <p>1 the information that you were conveying to her to</p> <p>2 Mr. LaPierre's attention if that's what your request</p> <p>3 was?</p> <p>4 MR. GARMAN (VIA ZOOM): Objection to</p> <p>5 form.</p> <p>6 Go ahead and answer.</p> <p>7 A. Yeah, it might -- it might depend on</p> <p>8 the -- on the nature of the information or, frankly,</p> <p>9 just practicalities, you know, who -- where is he,</p> <p>10 who's -- who's with him as far as I know, that kind</p> <p>11 of thing.</p> <p>12 Q. During the -- during this past year of</p> <p>13 COVID, what has your physical work arrangement been?</p> <p>14 A. Well, like a lot of people, it's -- it's</p> <p>15 gone through some evolutions. For about the</p> <p>16 first -- you know, we shut down the office in mid</p> <p>17 March of last year and -- and instructed staff, you</p> <p>18 know, not to attend unless they were direct -- you</p> <p>19 know, not to -- not to come to the office unless</p> <p>20 they were directed to do so and authorized to do so</p> <p>21 as a job necessity. So essentially it was mandatory</p> <p>22 work from home for everyone -- everyone possible.</p> <p>23 And in my case, I don't believe I came to</p> <p>24 office at all for all -- for the remainder of March,</p> <p>25 April, maybe mid May, so I was working out of -- out</p> <p>Page 24</p> |
| <p>1 attention?</p> <p>2 A. That's right.</p> <p>3 Q. And who are those staff that you're -- can</p> <p>4 you identify them?</p> <p>5 A. The -- the usual staff that I would</p> <p>6 contact him would be -- today would be either Andra</p> <p>7 Fischer, who is his executive assistant, or Vanessa</p> <p>8 Shahidi, who is the NRA chief of staff. In the</p> <p>9 past, I would -- I would sometimes communicate more</p> <p>10 with Millie Hallow.</p> <p>11 Q. And when -- what -- what do you mean by</p> <p>12 "the past"? Like, how long ago?</p> <p>13 A. Before last year really. You know, in</p> <p>14 the -- in the COVID situation, you know, Ms. Hallow</p> <p>15 is, you know, is an older -- is an older lady and</p> <p>16 she's not -- she's not in the office routinely,</p> <p>17 whereas I know Ms. Shahidi and Ms. Fischer are. And</p> <p>18 I know -- and Ms. Hallow is also recently widowed,</p> <p>19 so, you know, trying not to -- to burden her.</p> <p>20 Q. Okay. So -- so you would say that was</p> <p>21 primarily in the post-COVID period?</p> <p>22 A. Right. It's kind of -- it's kind of</p> <p>23 shifted in that time period.</p> <p>24 Q. Okay. And you would rely -- prior to</p> <p>25 that, you would have relied on Ms. Hallow to bring</p> <p>Page 23</p> | <p>1 of a home office during that time frame. You know,</p> <p>2 like a lot of people, necessity pushed us to</p> <p>3 increasingly come to the office.</p> <p>4 And I have some bandwidth issues at home,</p> <p>5 so if I need to do -- do an important video</p> <p>6 proceeding of some kind, I'll come to the office for</p> <p>7 that based on some unfortunate experiences early on.</p> <p>8 And then -- and then -- I think we have all been</p> <p>9 there.</p> <p>10 Q. Yes.</p> <p>11 A. And then more recently, I have been coming</p> <p>12 to the office more, I think, as -- as people start</p> <p>13 to feel a little bit safer. And it has just been</p> <p>14 practically necessary to deal with paper documents</p> <p>15 and so forth.</p> <p>16 Q. And has Mr. LaPierre been working at -- in</p> <p>17 the office in Virginia during this past year?</p> <p>18 A. I think like most -- I think his pattern,</p> <p>19 from what I have observed, seemed to follow pretty</p> <p>20 much my -- my own. He has been in the office</p> <p>21 increasingly as, you know, business necessities made</p> <p>22 it important for him to be around and to meet</p> <p>23 personally with people.</p> <p>24 Q. And -- and what about Mr. Spray?</p> <p>25 A. Mr. -- Mr. Spray, due to his health, you</p> <p>Page 25</p> |

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| <p>1 know, he had some very heightened health concerns, 2 worked remotely from Michigan almost exclusively 3 even -- even before -- even before COVID hit. I 4 think he just happened to be there when the -- when 5 the shutdown started to happen, so he just stayed 6 there. 7 Q. So he's worked remote the entire time? 8 A. He was here for -- 9 MR. GARMAN (VIA ZOOM): Objection to 10 form. 11 Go ahead. 12 THE WITNESS (VIA ZOOM): I'm sorry. 13 A. He was here a day or two in -- and a few 14 days in the summer, maybe in August, and a few days 15 in November, and that's -- those are the only times 16 I have seen him. 17 Q. Okay. Now, you said as the secretary, 18 you're responsible for maintaining the archives. 19 And does -- and are you also responsible 20 for ensuring that the minutes of -- and other 21 documents relating to board meetings are complete 22 and accurate? 23 A. Yes on both. With respect to the 24 archives, I'm thinking of sort of the NRA's 25 historical repository of, you know, documents and</p> <p style="text-align: right;">Page 26</p> | <p>1 Q. Do you have any role in preparing 2 resolutions for the audit committee? 3 A. Yes, I have. 4 Q. And what is that role? 5 A. I would -- I would sometimes draft them, 6 sometimes edit them if they were drafted by others. 7 Q. Okay. When was the most recent board 8 meeting of the NRA? 9 A. January 7th of this year. 10 Q. And was there a notice of a special board 11 meeting that was to occur during mid March? 12 A. Yes. 13 Q. And did that meeting occur? 14 A. No, it did not. 15 Q. And why didn't it occur? 16 A. It didn't occur because of concerns about 17 potential COVID exposures among some of the 18 individuals who were key presenters at the meeting. 19 Q. And what was the intended purpose of that 20 special meeting? 21 A. Yeah, the purpose was to provide the board 22 with a briefing about ongoing legal matters. 23 Q. Did those ongoing legal matters -- without 24 getting -- I don't want to get into privilege -- 25 concern the bankruptcy proceeding?</p> <p style="text-align: right;">Page 28</p> |
| <p>1 memorabilia, some of them quite old. And then 2 the -- and then also -- and then with respect to 3 the -- to the -- to the minutes, yes, the 4 secretary's office is responsible for maintaining 5 the minutes of -- of board meetings and -- and 6 the -- 7 Q. Who prepared -- 8 A. -- and the annual meeting members, I 9 should add. 10 Q. Excuse me for cutting you off. 11 Who prepares the corporate resolutions? 12 A. It depends on the subject matter. 13 Resolutions may be drafted by staff or counsel, 14 depending on -- on what the situation is or, you 15 know, the committee something is coming from, 16 something like that. Or on some occasions, they may 17 be presented by individual board members or by -- or 18 by individual rank and file members for resolutions 19 presented at the NRA members meetings. 20 And then for things like banking 21 resolutions, you know, authorizing the NRA to open 22 an account at an institution, a lot of the time 23 those are basically boilerplate resolutions drafted 24 by the -- by the bank or other financial 25 institution.</p> <p style="text-align: right;">Page 27</p> | <p>1 A. Yes. 2 Q. And since the -- the special meeting was 3 canceled, was there an alternate method used to 4 communicate that information to the board members? 5 MR. GARMAN (VIA ZOOM): Objection to 6 form. 7 Go ahead. 8 A. Not yet, but we're working on schedule -- 9 on rescheduling the meeting and -- and as -- as we 10 announced to the -- to the board when it was -- when 11 the cancellation occurred. 12 Q. And when was it canceled? 13 A. It was canceled on last Friday. I believe 14 that was the 12th. 15 Q. And how was notice given to the board that 16 it was going to be canceled? 17 A. Notice was given to the board through 18 an -- through an email. 19 Q. And has a new date been set? Sorry. Has 20 a -- let me restate my question. 21 Has a new date been set for that special 22 meeting? 23 A. A new date has been planned but hasn't yet 24 been noticed. 25 Q. And what is the planned date?</p> <p style="text-align: right;">Page 29</p> |

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| <p>1 A. March 28th.</p> <p>2 Q. Okay. Do you know Judge Phillip Journey,</p> <p>3 member of the board?</p> <p>4 A. Yes, I do.</p> <p>5 Q. And are you aware that he has claimed that</p> <p>6 the NRA management violated its bylaws in connection</p> <p>7 with filing a petition for bankruptcy protection?</p> <p>8 MR. GARMAN (VIA ZOOM): Objection as</p> <p>9 to form.</p> <p>10 Go ahead.</p> <p>11 A. Yes, I'm aware of his allegations.</p> <p>12 Q. You were present at the January 7th board</p> <p>13 meeting, correct?</p> <p>14 A. Correct, except for a portion of the</p> <p>15 meeting that was held in executive session, which I</p> <p>16 did not attend.</p> <p>17 Q. And Judge Journey, as I understand it,</p> <p>18 contends that the NRA did not disclose to the board</p> <p>19 its intention to file -- to seek Chapter 11</p> <p>20 protection.</p> <p>21 Is his contention correct?</p> <p>22 MR. GARMAN (VIA ZOOM): Objection;</p> <p>23 form. Objection to the extent it calls for a legal</p> <p>24 conclusion.</p> <p>25 Go ahead.</p> <p style="text-align: right;">Page 30</p> | <p>1 this -- the board meeting down into -- into three</p> <p>2 components and answer separately with respect to</p> <p>3 each of those.</p> <p>4 First of all, there -- there were, as we</p> <p>5 noted, I think two executive sessions. The first</p> <p>6 one was called in order to discuss Mr. LaPierre's</p> <p>7 employment contract, and we believe that was a</p> <p>8 privileged discussion. So to the extent that --</p> <p>9 that that's privileged, I can't answer as to</p> <p>10 discussions during that session.</p> <p>11 The second executive session was regarding</p> <p>12 the resolution formalizing the -- the existence and</p> <p>13 powers of the special litigation committee. I did</p> <p>14 not -- I wasn't present for that executive session,</p> <p>15 so I can't answer on that one.</p> <p>16 With respect to the open session of the</p> <p>17 board meeting, the remainder of the meeting, there</p> <p>18 was no discussion of Chapter 11 filing.</p> <p>19 Q. And the first executive session that you</p> <p>20 referenced where Mr. LaPierre's employment contract</p> <p>21 was discussed, who was present at that session?</p> <p>22 A. The -- the board members who were</p> <p>23 present -- 37, 38, something -- board members,</p> <p>24 something like that; Mr. LaPierre; myself; a couple</p> <p>25 of the staff members from the secretary's office for</p> <p style="text-align: right;">Page 32</p> |
| <p>1 A. Okay. So, I'm sorry, can you restate the</p> <p>2 question?</p> <p>3 Q. Sure. And I'm -- just to be clear, I'm</p> <p>4 asking you as a matter of fact.</p> <p>5 Judge Journey contends that the NRA did</p> <p>6 not disclose to the board the intention to seek</p> <p>7 Chapter 11 protection.</p> <p>8 And my question to you is: Is Judge</p> <p>9 Journey's contention correct?</p> <p>10 THE WITNESS (VIA ZOOM): May I confer</p> <p>11 with counsel about a potential privilege issue?</p> <p>12 MS. STERN (VIA ZOOM): Of course.</p> <p>13 THE VIDEOGRAPHER (VIA ZOOM): Do you</p> <p>14 want to go off the record?</p> <p>15 MR. GARMAN (VIA ZOOM): Yes.</p> <p>16 THE VIDEOGRAPHER (VIA ZOOM): Going</p> <p>17 off the record. The time is 10:01 a.m.</p> <p>18 (Recess 10:01 a.m. to 10:06 a.m.)</p> <p>19 THE VIDEOGRAPHER (VIA ZOOM): Going</p> <p>20 back on the record. The time is 10:06 a.m.</p> <p>21 Q. Okay. Are you prepared to answer the</p> <p>22 question, Mr. Frazer?</p> <p>23 A. Yes, I am. And, again, thanks for your</p> <p>24 patience while we -- while we conferred.</p> <p>25 So there are three parts. I would break</p> <p style="text-align: right;">Page 31</p> | <p>1 administrative needs; Mr. Davis, the counsel to the</p> <p>2 board of directors; and I believe Ms. -- Mr. Carter</p> <p>3 from the Brewer firm was there, and I believe</p> <p>4 Ms. Rogers was there for the first executive</p> <p>5 session.</p> <p>6 Q. Was Mr. Kent Correll there?</p> <p>7 A. No.</p> <p>8 Q. And was Mr. Correll present at any other</p> <p>9 portions of the board meetings that day?</p> <p>10 A. No.</p> <p>11 Q. Okay. And Mr. Carter, is that -- that's</p> <p>12 Travis Carter?</p> <p>13 A. That's right.</p> <p>14 Q. And he's a nonlawyer, correct?</p> <p>15 A. I believe so.</p> <p>16 Q. Sorry, you broke up a little bit there.</p> <p>17 A. Oh, I'm sorry. I believe -- I believe</p> <p>18 he's a nonlawyer.</p> <p>19 Q. Okay. And just off the record, I am</p> <p>20 concerned about my connectivity today, so if you</p> <p>21 have a problem, do let me know because we all --</p> <p>22 A. We're hearing you fine.</p> <p>23 Q. -- live in fear of the frozen screen.</p> <p>24 You hear -- okay. Great.</p> <p>25 I want to ask you a quick question just</p> <p style="text-align: right;">Page 33</p> |

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| <p>1 going back to the special meeting. You said there 2 were certain key presenters -- 3 A. Uh-huh. 4 Q. -- that were not able to attend at the 5 scheduled time. 6 Who -- who are the key presenters? 7 THE WITNESS (VIA ZOOM): Can I... 8 MR. GARMAN (VIA ZOOM): Yeah. 9 A. My understanding is that Mr. Brewer and 10 Mr. Garman had concerns about having -- about having 11 been exposed to COVID in the, you know, previous few 12 days. 13 MR. GARMAN (VIA ZOOM): And, Emily, I 14 don't -- if you -- if you find me supplementing to be 15 problematic, I won't, but Mr. Neligan also falls in 16 the category of -- of potential exposure. 17 MS. STERN (VIA ZOOM): Oh, just -- I 18 just -- I'm sorry, I should have clarified. I'm 19 just -- I'm trying not to ask about health issues. 20 MR. GARMAN (VIA ZOOM): Oh. 21 MS. STERN (VIA ZOOM): I'm not 22 interested in your health status. 23 MR. GARMAN (VIA ZOOM): Okay. 24 MS. STERN (VIA ZOOM): I want to just 25 know who were the intended presenters at the special</p> <p style="text-align: right;">Page 34</p> | <p>1 MR. GARMAN (VIA ZOOM): Objection to 2 form. 3 Go ahead. 4 A. It's correct that he alleges that. 5 Q. I'm sorry. Is his contention correct? 6 A. Not in my opinion. 7 Q. Are you aware of any violations of the 8 bylaws in connection with board meetings that have 9 occurred in the last year? 10 MR. GARMAN (VIA ZOOM): So let me -- 11 let me insert -- I don't think this question calls 12 for the invasion of the attorney-client privilege. I 13 just -- you're general counsel. I want you to start 14 being careful with the answers. But if you -- to the 15 extent that you can answer that question, please go 16 ahead. 17 A. No, I'm not aware of any violations of the 18 bylaws. 19 Q. Mr. Rocky Marshall became a member of the 20 board in January 2021; isn't that correct? 21 A. That's correct. 22 Q. And what were the circumstances that led 23 to his becoming a board member? 24 A. A sitting board member resigned. And 25 under our bylaws, when a vacancy occurs on the</p> <p style="text-align: right;">Page 36</p> |
| <p>1 meeting. 2 MR. GARMAN (VIA ZOOM): Oh, okay. 3 Then -- then late objection. I'll object to the form 4 of your last question, but we'll do it again. 5 A. Okay. Okay. So the -- so I was not told 6 in advance who the presenters would be, so I don't 7 know that I -- I don't know that I knew that until 8 just now. 9 MR. GARMAN (VIA ZOOM): Okay. So only 10 answer what you know. 11 Q. Okay. So you didn't know who was going to 12 be presenting at the special meeting? 13 A. Not until I found out who wasn't able to 14 present, which was after I -- 15 Q. Okay. 16 A. -- after I had arrived in Dallas. 17 Q. Is the plan to have the special meeting in 18 person? 19 A. Yes. 20 Q. Okay. In Dallas? 21 A. Yes. 22 Q. Okay. Mr. -- sorry -- Judge Journey has 23 alleged that NRA bylaws and Robert's Rules of Orders 24 were routinely violated by NRA's management. 25 Is that correct?</p> <p style="text-align: right;">Page 35</p> | <p>1 board, the -- the vacancy is filled by the -- the 2 next runner-up who wasn't re-elect -- who wasn't 3 elected, excuse me, elected in the -- in the most 4 recent board election. 5 Q. And who was the sitting member of the 6 board that left the board? 7 A. That was Duane Liptak. 8 THE WITNESS (VIA ZOOM): That's 9 L-i-p-t-a-k for the reporter. 10 Q. And did Mr. Liptak resign shortly after 11 the filing of the bankruptcy petition? 12 A. Yes, he did. 13 Q. And do you have an understanding why 14 Mr. Liptak resigned? 15 A. I do. 16 Q. And what is your understanding? 17 A. He stated that -- in a resignation letter 18 that he felt he wasn't able to provide proper 19 oversight. 20 Q. And do you have an understanding of what 21 he meant by not being able to provide proper 22 oversight? 23 MR. GARMAN (VIA ZOOM): Objection to 24 form. 25 A. Not having the letter in front of me, I</p> <p style="text-align: right;">Page 37</p> |

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| <p>1 don't recall if he stated any context -- any context 2 for it. 3 Q. Okay. 4 MS. STERN (VIA ZOOM): Stephen can 5 we -- 6 MR. THOMPSON (VIA ZOOM): Yes, it has 7 been marked. 8 MS. STERN (VIA ZOOM): -- provide the 9 letter? 10 Okay. So in the magic of Veritext, 11 the letter is in the -- 12 MR. GARMAN (VIA ZOOM): So, Emily, 13 just for the record, avoidance of doubt and for 14 clarity of the record, you okay with me showing this 15 exhibit from the Egnite site to the witness, correct? 16 MS. STERN (VIA ZOOM): I am. 17 MR. GARMAN (VIA ZOOM): Okay. 18 MS. STERN (VIA ZOOM): And you should 19 be looking at a letter dated January 19, 2021. Is 20 that right? Is that what we're looking at? 21 THE WITNESS (VIA ZOOM): Yes. 22 THE VIDEOGRAPHER (VIA ZOOM): Instead 23 of having the witness shift -- 24 MS. STERN (VIA ZOOM): Stephen, do you 25 want to pop it up?</p> <p style="text-align: right;">Page 38</p> | <p>1 A. Yes. This is Mr. -- this is the letter 2 Mr. Liptak sent me in January. 3 Q. Okay. And so he states in the letter, 4 However, in the current organizational environment, 5 I am no longer able to effectively perform the 6 duties of a director with what I feel is the 7 appropriate level of oversight required. 8 And that is what you were referring to 9 when you said that he had concerns about oversight 10 issues; is that right? 11 A. Yes. 12 Q. And did you have any conversations with 13 Mr. Liptak in or around the time that he resigned? 14 A. I had -- I had a couple of email exchanges 15 with him. 16 Q. And in those communication -- what were 17 the sum and substance of those communications? 18 A. He -- prior to his resignation letter, he 19 sent a letter regarding the bankruptcy filing in 20 which he asked why -- asked essentially why it 21 hadn't been discussed with the board at the 22 January 7th meeting. 23 MS. STERN (VIA ZOOM): Counsel, has 24 that letter been produced? 25 MR. GARMAN (VIA ZOOM): I don't know.</p> <p style="text-align: right;">Page 40</p> |
| <p>1 THE VIDEOGRAPHER (VIA ZOOM): -- it 2 would be better to move the laptop. 3 MS. STERN (VIA ZOOM): Maybe that will 4 keep it. 5 MR. GARMAN (VIA ZOOM): What's that? 6 THE VIDEOGRAPHER (VIA ZOOM): Instead 7 of having the witness -- 8 MS. STERN (VIA ZOOM): The screen 9 share. 10 THE VIDEOGRAPHER (VIA ZOOM): -- it 11 would be better to move the laptop. 12 MR. GARMAN (VIA ZOOM): It's connected 13 to things. 14 THE VIDEOGRAPHER (VIA ZOOM): 15 Apologies, Counsel. 16 (Off-the-record conversation.) 17 (Exhibit 1 marked.) 18 MS. STERN (VIA ZOOM): Are you guys 19 struggling -- I'm sorry, we're off the record? 20 MR. GARMAN (VIA ZOOM): No, no, we 21 have it. We're ready. 22 MS. STERN (VIA ZOOM): Oh, you're 23 ready. Okay. 24 Q. Mr. Frazer, can you identify the document 25 that we have put into the screen share?</p> <p style="text-align: right;">Page 39</p> | <p>1 MS. STERN (VIA ZOOM): Okay. We ask 2 for it. It's production. 3 Q. To whom was that letter directed that you 4 just referred? 5 A. It was -- it was sent to me. I don't 6 recall if it was copied to anyone else. 7 Q. Did you share the letter with anyone else? 8 A. Yes. 9 Q. With whom? 10 MR. GARMAN (VIA ZOOM): Object. 11 To the extent you can answer without 12 invading the attorney-client privilege, go ahead. 13 THE WITNESS (VIA ZOOM): Can we confer 14 for 2 seconds. 15 MR. GARMAN (VIA ZOOM): Ms. Stern? 16 MS. STERN (VIA ZOOM): Yes. 17 MR. GARMAN (VIA ZOOM): Okay. Let's 18 go off the record. 19 THE VIDEOGRAPHER (VIA ZOOM): Going 20 off the record. The time is 10:19 a.m. 21 (Recess 10:19 a.m. to 10:22 a.m.) 22 THE VIDEOGRAPHER (VIA ZOOM): Going 23 back on the record. The time is 10:22 a.m. 24 Q. And, Mr. Frazer, you asked for a break to 25 consult with counsel on a question of privilege.</p> <p style="text-align: right;">Page 41</p> |

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| <p>1 Which counsel did you consult with?</p> <p>2 A. I consulted with Mr. Garman and</p> <p>3 Ms. Eisenberg.</p> <p>4 Q. Okay. Okay. And can you answer the</p> <p>5 question?</p> <p>6 A. And so your -- I'm going to restate your</p> <p>7 question. Please tell me if I'm stating it wrong.</p> <p>8 Your question was whether I had shared</p> <p>9 Mr. Liptak's communication with anyone?</p> <p>10 Q. Correct.</p> <p>11 A. Okay. So I think that -- this actually</p> <p>12 just occurred to me since we conferred. Mr. Garman</p> <p>13 won't be surprised, but I think I shared it -- I</p> <p>14 know I shared it with board counsel, Wit -- Wit</p> <p>15 Davis, and -- actually, he's the only person I know</p> <p>16 I shared it with.</p> <p>17 Q. Did you discuss the substance of it with</p> <p>18 anyone?</p> <p>19 A. I believe --</p> <p>20 Q. Without disclosing -- without disclosing a</p> <p>21 privileged conversation.</p> <p>22 A. Sure. I believe I -- I believe I</p> <p>23 discussed it with Mr. Davis by phone.</p> <p>24 Q. Did you bring it to the attention of any</p> <p>25 of the officers of the board?</p> <p style="text-align: right;">Page 42</p> | <p>1 MR. GARMAN (VIA ZOOM): Objection to</p> <p>2 form.</p> <p>3 Go ahead.</p> <p>4 A. So -- so in addition to the communications</p> <p>5 I mentioned, as I noted, Ms. Meadows indicated that</p> <p>6 she still wished to appoint him to -- to committees</p> <p>7 if he was willing to serve. And so I had some</p> <p>8 communications with him in which I asked him if he</p> <p>9 was still willing to serve, and he indicated that he</p> <p>10 was, and so he remains on those committees.</p> <p>11 Q. And -- and just to clarify, he remains on</p> <p>12 those committees as a non-board member?</p> <p>13 A. That's correct.</p> <p>14 Q. And did you have any conversations with</p> <p>15 Mr. Liptak about his concerns regarding the</p> <p>16 bankruptcy matter in any respect?</p> <p>17 A. I don't think I did.</p> <p>18 Q. Okay. Mr. Frazer, you're currently a</p> <p>19 member of the Virginia Bar?</p> <p>20 A. Yes.</p> <p>21 Q. And any other bars?</p> <p>22 A. District of Columbia.</p> <p>23 Q. Are you in good standing?</p> <p>24 A. Yes.</p> <p>25 Q. And are you up to date in all of your</p> <p style="text-align: right;">Page 44</p> |
| <p>1 A. I -- I don't recall if or how I did that</p> <p>2 or whether I -- I don't -- I don't recall if or how</p> <p>3 I did that.</p> <p>4 Q. At any time have you had any conversations</p> <p>5 with any of the members of the board concerning</p> <p>6 Mr. Liptak's communication about the bankruptcy</p> <p>7 filing?</p> <p>8 A. Yes. I had -- I can't remember if it was</p> <p>9 a phone call, but I know that I had some emails with</p> <p>10 the NRA president, Ms. Meadows, regarding</p> <p>11 Mr. Liptak's resignation.</p> <p>12 And the question there was whether -- we</p> <p>13 were in the process of appointing committees. You</p> <p>14 know, we have 37-odd committees that oversee</p> <p>15 different aspects of NRA activities. And my -- you</p> <p>16 know, the president appoints the committees.</p> <p>17 So my question to her was -- was</p> <p>18 whether -- you know, whether this would affect her</p> <p>19 committee assignment decisions with respect to</p> <p>20 Mr. Liptak at all, and the answer was no.</p> <p>21 Q. And you mentioned that you had a few</p> <p>22 communications with Mr. Liptak around the time of</p> <p>23 his resignation.</p> <p>24 What other communications did you have</p> <p>25 with him?</p> <p style="text-align: right;">Page 43</p> | <p>1 continuing legal education requirements?</p> <p>2 A. Yes.</p> <p>3 Q. And are you up to date in all of your</p> <p>4 ethical requirements?</p> <p>5 A. As part of the CLE, yes.</p> <p>6 Q. Okay. Have you ever been the subject of</p> <p>7 an ethics complaint?</p> <p>8 A. No.</p> <p>9 Q. And have you ever been the subject of any</p> <p>10 type of disciplinary action?</p> <p>11 A. No.</p> <p>12 Q. Have you ever been the subject of a</p> <p>13 malpractice claim?</p> <p>14 A. No.</p> <p>15 Q. Okay. Prior to becoming general counsel</p> <p>16 of the NRA, I think that you testified earlier this</p> <p>17 week that you had done some training classes --</p> <p>18 courses in law governing not-for-profits and</p> <p>19 charities.</p> <p>20 Do I have that right?</p> <p>21 MR. GARMAN (VIA ZOOM): Objection to</p> <p>22 form.</p> <p>23 Go ahead.</p> <p>24 A. Yes.</p> <p>25 Q. Okay. Can you tell me what they were?</p> <p style="text-align: right;">Page 45</p> |

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| <p>1 A. I took -- I attended the Georgetown -- 2 Georgetown Law Center conference on representing -- 3 it's a long title. It's nonprofits and tax-exempt 4 organizations. It's a major two- or three-day event 5 each spring. Unfortunately it's often the same 6 weekend as our annual meeting, so I have a problem 7 there. 8 And I attended -- I attended another 9 seminar. I don't recall the name or the sponsor. 10 And there may have been -- there may have been a 11 third one, but those are the two that I distinctly 12 remember going to. 13 Q. And what year was this? 14 A. I think that the Georgetown seminar was in 15 2015 because I think I've had a schedule conflict 16 every year since. 17 And then the -- and then the -- I think 18 the other -- that was very early in my tenure. I 19 think the other one that I'm thinking of was later, 20 within a -- probably within a year or two, so 2016 21 or 2017. 22 Q. Did you have any experiencing -- sorry. 23 Did you have any experience as a lawyer 24 handling matters of corporate governance before you 25 became the general counsel?</p> <p style="text-align: right;">Page 46</p> | <p>1 A. Sure. 2 Q. -- if you could explain. 3 A. Yeah. Sure. 4 One of them -- one of them involved the 5 potential future transfer of an interest in a 6 for-profit, you know, closely held company. Another 7 involved the transfer of -- of -- actually a couple 8 of them involved asset transfers to and from LLCs. 9 And a third was a -- related to a compliance opinion 10 in respect to issuance of secured debt. 11 Q. Prior to your current roles at the NRA, 12 had you ever served as a director or officer of the 13 corporate board? 14 A. No. 15 Q. And just to be clear on the record, that 16 also includes a not-for-profit board? 17 A. That's right, no. 18 Q. Okay. Did you have any experience in 19 your -- as a lawyer in addressing matters concerning 20 fiduciary duties of officers, directors, or others 21 to a not-for-profit corporation? 22 MR. GARMAN (VIA ZOOM): Objection to 23 form. 24 Go ahead. 25 A. As a lawyer, no; but in a prior position</p> <p style="text-align: right;">Page 48</p> |
| <p>1 A. I had dealt with some issues about 2 governance of for-profit entities when I was in 3 private practice. 4 Q. What kinds of issues? 5 A. One of them -- one of them involved a -- 6 trying to figure out -- basic -- 7 MR. GARMAN (VIA ZOOM): I'm going to 8 just lodge a quick objection and we can go on. 9 Obviously to the extent that this 10 question -- you can answer in generalities, but 11 obviously don't invade other clients' privilege 12 issues -- 13 THE WITNESS (VIA ZOOM): Of course. 14 MR. GARMAN (VIA ZOOM): -- but go 15 ahead and -- 16 THE WITNESS (VIA ZOOM): Of course. 17 MR. GARMAN (VIA ZOOM): -- go ahead 18 and answer from a high level. 19 THE WITNESS (VIA ZOOM): Sure. Sure. 20 Q. I have no interest in, yeah, privileged 21 information about your current client or your former 22 clients -- 23 A. Okay. Sure. 24 Q. -- just in terms of the subject matter, 25 scope of the representation --</p> <p style="text-align: right;">Page 47</p> | <p>1 at the NRA, I was regularly around board meetings 2 when those issues were being dealt with. 3 Q. Did that entail you providing advice on 4 the legal obligations of the officers and the 5 directors and -- sorry. Let me restate my question. 6 In -- in your role -- your prior role, 7 which was in ILA, correct? 8 A. Correct. 9 Q. And was -- you said you were around board 10 meetings. 11 Was your role in those board meetings as a 12 lawyer to advise the officers and directors? 13 A. I wasn't a lawyer yet, so no. 14 Q. Okay. Did you have -- prior to your 15 current role -- roles at the NRA, any experience 16 dealing with New York laws governing not-for-profits 17 and charities? 18 A. I had some exposure to that from being 19 around board meetings during my prior role. I 20 was -- I was serving one of the officers of the NRA 21 during some previous internal conflicts in the 22 organization. 23 Q. And who was that officer and when was 24 that? 25 A. That was Tanya Metaksa, M-e-t-a-k-s-a.</p> <p style="text-align: right;">Page 49</p> |

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| <p>1 She was the executive director of ILA from 1994 to 2 '98. As you know, that was a controversial period, 3 and I regularly attended board meetings to assist 4 her. 5 Q. And what kind of assistance did you 6 provide? 7 A. Really just helping her with anything that 8 she needed, you know, if I -- you know, it was a -- 9 I was a junior staffer. If I needed to -- if she 10 needed something, I would -- you know, I would help 11 her get it. Or if I -- or if she needed me to, you 12 know -- I don't know, sometimes I would help edit -- 13 edit a document, produce a document, something like 14 that. 15 Q. So fair to say that you were exposed to 16 the governance issues that were raised at that time 17 but you were not involved in substantively handling 18 them; is that correct? 19 A. That's fair. 20 Q. Okay. And prior to your current roles at 21 the NRA, what experience did you have with 22 regulatory reporting requirements of nonprofits and 23 charities? 24 A. That was outside my -- outside my 25 bailiwick in my previous positions.</p> <p style="text-align: right;">Page 50</p> | <p>1 some antitrust issues. 2 Q. Okay. Again, prior to your roles at the 3 NRA, did you have any experience handling corporate 4 transactions for not-for-profits or charities? 5 A. Yeah, I did some -- I did some 6 transactional work for for-profit entities but not 7 nonprofits. 8 Q. Okay. And same question so I don't have 9 to repeat it each time, but I'm happy to if you 10 would like me to, which is: Prior to your roles -- 11 your current roles at the NRA, did you have any 12 experience in handling matters concerning the 13 oversight of charitable assets? 14 A. No. 15 Q. Did you have any familiarity with the New 16 York law governing prudent management of 17 institutional assets? 18 A. No. 19 Q. Okay. And you said you had compliance 20 experience in the -- with firearms law. 21 Did you have any other corporate 22 compliance experience? 23 A. Yes. 24 Q. And what was that? 25 A. It had to do with a regulatory</p> <p style="text-align: right;">Page 52</p> |
| <p>1 Q. Okay. And was tax law governing 2 nonprofits and charities also outside of your 3 bailiwick in your previous positions? 4 A. It was outside my job responsibilities. I 5 had some exposure occasionally in that earlier part 6 of my NRA career. 7 Q. What was the exposure? 8 A. Just awareness of issues that were being 9 discussed, you know, involving the tax status of the 10 NRA or the foundation, you know, other entities. 11 Q. And in your private practice, did you 12 represent any clients involving matters concerning 13 regulatory reporting requirements of charities or 14 not-for-profits? 15 A. I did a lot of compliance work but not for 16 charities or nonprofits. 17 Q. What was the compliance work that you 18 did -- 19 A. Firearms. 20 Q. -- in -- firearms. 21 A. I'm sorry, fire -- yeah, firearms, law 22 compliance, federal and state. And I -- 23 Q. And -- 24 A. And I did have -- I had a trade 25 association client where I had to become aware of</p> <p style="text-align: right;">Page 51</p> | <p>1 investigation that the NRA was -- was being 2 subjected to in which the NRA was being asked to 3 make a document production, and I was asked to 4 assist with that. 5 Q. And that was when you were at -- in ILA? 6 A. That's correct. 7 Q. Was that before or after you were a member 8 of the bar? 9 A. It was after I was a member of the bar. 10 Q. And so did you -- was your role in 11 responding to that regulatory investigation that of 12 a lawyer? 13 A. Yes. 14 Q. And was there anyone else -- any other 15 lawyers involved in that investigation without going 16 into the substance of it? 17 A. Sure. I was -- I was working under the 18 direction of the Office of General Counsel. 19 Q. Okay. So other -- other than that 20 regulatory investigation, what other regulatory 21 investigatory matters were you involved in before 22 you became the general counsel of the NRA? 23 A. I dealt with some private clients on 24 regulatory investigation matters. 25 Q. What agencies?</p> <p style="text-align: right;">Page 53</p> |

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| <p>1 A. Bureau of Alcohol, Tobacco, and Firearms. 2 Q. Any others? 3 A. Not that I can recall. 4 Q. Did you handle any regulatory litigation 5 matters? 6 A. Well, one of the regulatory matters turned 7 into a criminal defense matter, so to that extent, 8 yes. 9 Q. And did you represent the client? 10 A. I did. 11 Q. Did you defend them? Sorry. 12 A. Yes. 13 Q. Okay. 14 A. Yes. 15 Q. And did you have any prior experience 16 before you became the general counsel of the NRA 17 conducting internal investigations? 18 A. I'm trying to figure out whether something 19 would qualify, but I think no. 20 Q. Okay. And what was your prior experience 21 with law governing whistleblowers? 22 A. I hadn't dealt with whistleblower issues 23 previously. 24 Q. And law governing conflicts of interest in 25 business transactions?</p> <p style="text-align: right;">Page 54</p> | <p>1 contracts -- contract reviews, employment matters, 2 regulatory compliance, both for the NRA (c)(4) and 3 the (c)(3), charitable filings, lobbyist 4 registration, charitable gaming, sweepstakes 5 compliance, occasional tort issues. I mentioned HR 6 matters; that would include OSHA and similar things, 7 environmental matters affecting NRA -- the NRA range 8 at headquarters and other shooting ranges. 9 Q. And the six attorneys that you oversee, do 10 they have specialized areas? 11 A. Somewhat. They're all kind of 12 generalists, but over -- over time, each of them has 13 built up some expertise in specific fields. And, 14 you know, we try to -- we try to keep everyone 15 informed and educated, but we also try to be 16 efficient, and that means going to the person 17 who's -- who's learned the most about a particular 18 topic. 19 Q. So do you have anybody in the Office of 20 General Counsel -- this question includes 21 yourself -- who is responsible for ensuring that the 22 NRA is in compliance with its reporting 23 responsibilities as a charity and a not-for-profit? 24 A. Yes. 25 Q. Who is that?</p> <p style="text-align: right;">Page 56</p> |
| <p>1 A. I was obviously familiar with the -- with 2 the bar rules about, you know, lawyers' conflicts of 3 interest. But I hadn't had to deal with any -- any 4 business conflicts of interest except to the extent 5 that I was aware of the NRA's internal reporting 6 requirements for officers, directors, and employees 7 to report business with the Association. 8 Q. Okay. And -- and just to be also clear 9 for the record, just -- that includes any financial 10 transactions, conflicts of interest in any financial 11 transactions. 12 That -- did that -- your prior answer 13 cover the scope of your experience with that? 14 A. I think so. You know, the provision I'm 15 referring to is the NRA bylaws provision that we 16 have had since the late 1970s regarding 17 self-reporting of business with the Association. 18 Q. Okay. Can you describe just the scope of 19 your role and your responsibility as the general 20 counsel? 21 A. Sure. It's -- you know, it's pretty much 22 what you would expect of a -- we have six -- six 23 attorneys, four support staff in the office; I 24 supervise them. And we do the whole gamut of, you 25 know, routine in-house corporate matters,</p> <p style="text-align: right;">Page 55</p> | <p>1 A. Well, I'm involved in that because I'm 2 often the one certifying the forms. Before I came 3 on board, a lot of the expertise in that field had 4 been built up by Skipp Galythly. 5 THE WITNESS (VIA ZOOM): For the 6 reporter -- I think I spelled it the other day -- 7 G-I -- G-a -- G-a-l-y-t-h-l-y. 8 A. And Morgan Shields was an employee -- was 9 an attorney in the office who also worked in that 10 field. And -- 11 (Interruption.) 12 MS. STERN (VIA ZOOM): Can we go off 13 the record? 14 MR. GARMAN (VIA ZOOM): Yeah. 15 THE VIDEOGRAPHER (VIA ZOOM): Going 16 off the record. The time is 10:45 a.m. 17 (Recess 10:45 a.m. to 10:46 a.m.) 18 THE VIDEOGRAPHER (VIA ZOOM): Going 19 back on the record. The time is 10:46 a.m. 20 A. So before the dramatic interruption, could 21 you restate the question just so I make sure I'm not 22 missing -- missing anyone I need to mention. 23 Q. I think that -- we don't have to go all 24 the way back to the question. I think we were 25 talking about who in the Office of General Counsel</p> <p style="text-align: right;">Page 57</p> |

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| <p>1 is responsible for ensuring the reporting 2 requirements that apply to charities and 3 not-for-profits are met. 4 A. Sure. 5 Q. And I think you were discussing a number 6 of people. I don't know if you finished. 7 A. Sure. I think for the -- I think the -- 8 the other individual that I should mention is 9 Matthew Bower, B-o-w-e-r. Although he does 10 compliance reporting mainly with respect to lobbying 11 and political matters that, you know, don't -- 12 aren't necessarily exclusive to nonprofits. 13 Q. Do you as a general counsel have oversight 14 of the legal affairs of -- of ILA? 15 A. No, I don't. 16 Q. Is there separate counsel that oversees 17 the legal issues for ILA? 18 A. Yes. Although let me -- let me subdivide 19 that a little -- a little more -- a little more 20 accurately. The OGC deals with most corporate 21 matters for ILA such as lobbying -- lobbying reports 22 and dealing with campaign finance investigations. 23 However, ILA has its own general counsel and its own 24 litigation counsel, and -- and they're primarily 25 responsible for Second Amendment and, you know,</p> <p>Page 58</p> | <p>1 that are handling -- let me restate the question. 2 Currently of the more substantial 3 litigation matters that you have, who are the 4 lawyers handling them? 5 A. So there is -- you know, there are all of 6 the counsel in the bankruptcy proceeding and related 7 matters that you're familiar with and obviously 8 in -- in the -- in your office's investigation. So 9 we have the -- the Brewer firm, Garman Turner 10 Gordon, and the Neligan firm. We have Briglia 11 Hundley as local counsel in some of our Virginia and 12 DC-based litigation. I'm trying to think if we 13 have -- those are -- those are the really major 14 cases. 15 I'm trying to recall -- excuse me -- if we 16 have any -- anything active using outside counsel 17 right now. Nothing is coming to mind, but that 18 doesn't mean -- there are a couple of -- couple of 19 other things. 20 There's a -- there's a lawsuit -- there's 21 a lawsuit involving the Tree of Life Synagogue 22 murders in which we were initially named as a 23 defendant, and then they kind of haven't taken us 24 out. We have local counsel monitoring that, 25 although, of course, it's stayed due to the</p> <p>Page 60</p> |
| <p>1 firearms law-related advocacy. 2 Q. And the ILA litigation counsel that you 3 refer to is in-house? 4 A. Yes. 5 Q. And do you have litigation counsel 6 in-house on the NRA general side? 7 A. For some -- some matters we handle 8 in-house, but they're usually relatively minor; 9 issues -- you know, minor employment issues or, you 10 know, advertisers in our publications who don't pay 11 their bills, that kind of thing, so may deal with 12 collection litigation. 13 Q. And so how do you handle non-minor 14 litigation matters? 15 MR. GARMAN (VIA ZOOM): Objection to 16 form. 17 Go ahead. 18 A. Well, we -- we look at -- we look at the 19 issue and we determine whether it's something that 20 someone in-house can handle. If we can handle it 21 in-house, that's great. It will save us -- it will 22 save money. And if it's not, we, you know, look to 23 see if we have a firm that we're familiar with to -- 24 to handle the -- handle that type of issue. 25 Q. And currently how many firms do you have</p> <p>Page 59</p> | <p>1 bankruptcy. 2 I can't -- I can't exclude that there may 3 be something minor percolating that I'm not thinking 4 of off the top of my head, but those are the -- 5 those are the -- the big ones that come to mind. 6 Q. So is it fair to say that the Brewer firm 7 is handling all of the major nonbankruptcy 8 litigation involving the NRA right now? 9 A. They're not -- they're not exclusively 10 handling it, but they're involved in the -- in the 11 most major nonbankruptcy matters, yes. 12 Q. Okay. And Briglia Hundley, are they 13 involved in the DC AG's matter? 14 A. For the NRA, yes. They're local counsel 15 for the NRA. 16 Q. Are they local counsel with the Brewer 17 firm? 18 A. Yes. 19 Q. Okay. So is the general counsel's office 20 responsible for ensuring that restricted assets -- 21 the NRA's restricted assets are handled in 22 accordance with their legal -- with legal 23 obligations? 24 A. The -- the responsibility for properly 25 accounting for restricted assets is primarily with</p> <p>Page 61</p> |

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| <p>1 the financial services staff, but -- but the OGC 2 advises on specific matters if there's a question. 3 Q. And who's responsible for that in the OGC? 4 A. It would depend on the -- it would depend 5 on the issue. A lot of the time those matters don't 6 involve -- I would say actually most of the time 7 those matters don't involve the NRA itself, but they 8 involve the -- the (c)(3)s. 9 But for -- for some NRA matters that I 10 recall, recently it has been my deputy general 11 counsel, Stefan Tahmassebi. 12 I think I spelled this the other day, but 13 just in case, T-a-h-m-a-s-s-e-b-i. 14 Stefan is also the secretary of the NRA 15 Civil Rights Defense Fund, and so he's aware of 16 restricted accounts in -- in that entity and, you 17 know, helps make sure that those are not overspent 18 or inappropriately spent. 19 And then Skipp Galythly, whom I mentioned 20 earlier, is the secretary for the NRA Foundation and 21 helps review proposed grants for that entity. 22 Q. What is your role with respect to the 23 (c)(3) entities? 24 A. So the -- the OGC provides -- provides 25 services to all of the NRA's (c)(3)s, you know, more</p> <p style="text-align: right;">Page 62</p> | <p>1 convey to the -- to communicate to the board the 2 status of legal issues that the NRA is facing? 3 A. Yes. 4 Q. And to -- is it also your responsibility 5 to communicate to the board legal risks that you 6 have identified? 7 A. Yes. 8 Q. And how do you communicate those issues to 9 the board? 10 A. So with the size of our board, having 76 11 members when it's at full strength, it functions a 12 lot like a legislature with a lot of the substantive 13 work being done in committee and then 14 recommendations being made through committees. 15 So normally what I would do is identify 16 the appropriate committee to take action on an issue 17 and bring it to the attention of that committee 18 through the committee chairman and/or committee 19 secretary, depending on -- on who it is. And then 20 the committee can hear the issue out and do what 21 needs to be done. 22 Q. And you have a sort of standing reporting 23 relationship with the legal affairs committee; isn't 24 that right? 25 A. Yes.</p> <p style="text-align: right;">Page 64</p> |
| <p>1 or less depending on the size of the entity and the 2 complex of the issues. But, you know, we provide 3 legal to support to all the NRA's affiliates and 4 subsidiaries. 5 Q. Do you see it as your responsibility as 6 the general counsel to alert the NRA to any legal 7 risks that you identify? 8 A. Yes. 9 Q. And do you see -- is your responsibility 10 to manage those legal risks as well? 11 A. It's not my sole responsibility. It's the 12 responsibility of everyone involved, but that's part 13 of -- it's certainly partly mine. 14 Q. And -- wait. Did you say it was your 15 responsibility to advise the NRA on your view as to 16 how best to manage those legal risks? 17 MR. GARMAN (VIA ZOOM): Objection to 18 form. 19 Go ahead if you understand. 20 A. Yes. 21 Q. Do you see it as your responsibility to 22 advise the NRA just generally on legal issues that 23 may arise? 24 A. Absolutely. 25 Q. Is also part of your responsibility to</p> <p style="text-align: right;">Page 63</p> | <p>1 MR. GARMAN (VIA ZOOM): Objection to 2 form. 3 Go ahead. 4 A. I'm sorry. Yes. 5 Q. And so if you identify legal risks to the 6 NRA in its, you know, sort of corporate status, 7 would you bring those to the legal affairs 8 committee? 9 MR. GARMAN (VIA ZOOM): Objection to 10 form. 11 A. I would -- I would -- I would bring them 12 to the -- you know, it would depend on the specific 13 detail but obvious -- or on the specific issue. And 14 it might also depend on how close we are to a -- to 15 an upcoming meeting or something like that. 16 Sometimes -- so sometimes I'll report to 17 the legal affairs committee primarily, sometimes 18 I'll report directly to the corporate officers, you 19 know, whoever -- whatever seems to be the 20 appropriate channel to get done what needs to be 21 done. 22 Q. Prior to the NRA filing for bankruptcy in 23 mid January, did you communicate to the board any -- 24 anything with respect to potential of a bankruptcy 25 filing?</p> <p style="text-align: right;">Page 65</p> |

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| <p>1 MR. GARMAN (VIA ZOOM): Objection. 2 I need to instruct you not to answer 3 to the extent your answer would -- would compromise 4 attorney-client communications. 5 A. I'm going to decline to answer that. 6 Q. And just for the record, I'll just ask the 7 same question -- let me just put it differently. 8 In -- I think you have testified that you 9 learned in the fall of 2020 that the Brewer firm was 10 doing some work concerning subject matter of a 11 potential bankruptcy. 12 Do I have that right? 13 A. Yes. 14 Q. And when you learned that, did you bring 15 that to the attention of the legal affairs 16 committee -- 17 MR. GARMAN (VIA ZOOM): So -- 18 Q. -- yes or no? 19 MR. GARMAN (VIA ZOOM): So objection 20 to form. 21 I'll -- I'll instruct you not to 22 answer to the extent it invades the attorney-client 23 privilege. Answer if you can otherwise do so. 24 A. May I confer with counsel? It'll be 25 brief.</p> <p style="text-align: right;">Page 66</p> | <p>1 Mr. Fleming did call on an unrelated -- just called 2 unrelated. They didn't confer on it. Just make sure 3 the record is -- is clear. But -- 4 THE WITNESS (VIA ZOOM): Right. 5 MR. GARMAN (VIA ZOOM): But, yeah, so 6 go ahead. 7 THE WITNESS (VIA ZOOM): Okay. 8 Thanks, Greg. 9 A. So my understanding of the question was 10 whether after I became aware that Chapter 11 11 reorganization was being considered as a 12 possibility, whether I discussed that with the legal 13 affairs committee. 14 Is that a fair restatement? 15 Q. I'll take the answer to that question. 16 A. Okay. The answer is no. 17 Q. And did you discuss -- did you share that 18 information with anyone else on the board? 19 A. Not that I recall. 20 Q. Okay. So you mentioned that -- the 21 difficulty of communicating with a 76-member board. 22 Is it fair to say that's a challenge? 23 A. Sometimes. Sometimes it's more of an 24 individual challenge. 25 Q. And the NRA's managed by its 76-member</p> <p style="text-align: right;">Page 68</p> |
| <p>1 MS. STERN (VIA ZOOM): Yes. 2 THE WITNESS (VIA ZOOM): Thank you. I 3 appreciate it. 4 THE VIDEOGRAPHER (VIA ZOOM): Going 5 off the record. The time is 10:59 a.m. 6 (Recess 10:59 a.m. to 11:07 a.m.) 7 THE VIDEOGRAPHER (VIA ZOOM): Going 8 back on the record. The time is 11:07 a.m. 9 MR. GARMAN (VIA ZOOM): So -- so this 10 is Greg. Let me start. I think we're going to 11 answer that question, but I want to make sure we get 12 it right what the question was. 13 Emily, you can either repeat it back 14 or I'll have John summarize it the way he understood 15 it, whichever you prefer. 16 Q. We can go with the latter. 17 Just to clarify for the record: And your 18 consultation with counsel on this question of 19 privilege, you were consulting with which counsel? 20 A. I consulted with Mr. Garman and -- and 21 Ms. Eisenberg. 22 Q. Okay. So let's give it a go. You can 23 explain to me -- 24 MR. GARMAN (VIA ZOOM): So just for 25 avoidance of clarity of the record, though,</p> <p style="text-align: right;">Page 67</p> | <p>1 board; isn't that right? 2 MR. GARMAN (VIA ZOOM): Objection to 3 form. 4 Go ahead. 5 A. Yes. 6 Q. Can you describe the leadership -- 7 leadership structure of the NRA? 8 A. Sure. Well, the way I always explain this 9 is that at the -- at the top, of course, you have 10 the members. We're a membership organization and 11 all management occurs for the benefit of the -- of 12 the members' interest. The members elect the board. 13 And then the board -- the board provides general 14 policy guidance and general -- general oversight. 15 And the day-to-day management is conducted by the -- 16 by the in-house officers led by the executive vice 17 president. 18 Q. And there are other -- seven other 19 officers, correct? 20 A. There are three -- apologize. I always 21 have to count. Yeah, there are -- there are three 22 non-salaried officers; the board officers as we call 23 them, the president and two vice presidents. 24 Executive vice president, secretary, and treasurer 25 are the three elected salaried officers. And then</p> <p style="text-align: right;">Page 69</p> |

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| <p>1 we have two officers that are salaried but appointed 2 by the EVP, and those are the executive directors of 3 general operations and of the Institute for 4 Legislative Action. 5 Q. And as of January 14th, can you just tell 6 me who was in the -- each of those roles, the eight 7 that you just described, which is the president, the 8 two VPs, the executive vice president, treasurer, 9 secretary, and the executive director of general 10 operations and of ILA? 11 MR. GARMAN (VIA ZOOM): I'm sorry to 12 interject. What was the date? 13 THE WITNESS (VIA ZOOM): As of 14 January 14th. 15 MR. GARMAN (VIA ZOOM): Okay. 16 MS. STERN (VIA ZOOM): The day before 17 the bankruptcy. 18 MR. GARMAN (VIA ZOOM): Thank you. 19 A. So the president was Carolyn Meadows. The 20 first vice president was Charles Cotton. The second 21 vice president was Willes Lee. The executive vice 22 president was Wayne LaPierre. I was the secretary. 23 Craig Spray was the treasurer. The executive 24 director of general operations was Joe DeBergalis. 25 And the executive director of the Institute for</p> <p style="text-align: right;">Page 70</p> | <p>1 Go ahead. 2 A. You mean his -- his -- the -- the amounts 3 of his compensation? 4 Q. Are you -- are you familiar with the terms 5 of his current compensation arrangement -- 6 A. Uh-huh. 7 Q. -- with the NRA? 8 First, is he getting paid? 9 A. Yes. 10 Q. And do you know in -- what the -- sort of 11 the -- the basis for that payment is? 12 A. It's the salary that was set by the board 13 of directors at its -- at its October meeting. 14 Although, I believe he is still subject to a -- to a 15 salary reduction. You know, we all took salary -- 16 salary cuts to deal with the financial impact of 17 COVID. 18 Q. And when you say the salary set at the 19 October meeting, October 2020 meeting? 20 A. That's correct. 21 Q. So the only reduction in his salary 22 currently is because of the COVID reduction -- 23 A. That's my -- 24 Q. -- right? 25 A. That's my understanding.</p> <p style="text-align: right;">Page 72</p> |
| <p>1 Legislative Action was Jason Ouimet. That's 2 O-u-i-m-e-t. 3 Q. And today the roster is the same other 4 than Mr. Spray has departed; isn't that right? 5 A. Mr. Spray is -- is still treasurer until a 6 replacement is appointed -- or elected I should say. 7 Q. And is he treasurer in name or is he 8 actually fulfilling the duties of treasurer? 9 A. He's on administrative leave. 10 Q. And on administrative leave, is he 11 providing any services to the NRA? 12 A. He's -- he's provided assistance in -- in 13 transitional issues, like -- you know, I know, for 14 example, he's -- he's helped sign over accounts and 15 things like that. 16 Q. And other than transitioning authority, is 17 he involved in any other aspects of the operations 18 of the NRA since he took administrative leave? 19 A. Only speaking to my personal knowledge, 20 I'm not aware of any. 21 Q. Okay. Are you familiar with the terms of 22 his compensation? 23 A. His -- you mean -- 24 MR. GARMAN (VIA ZOOM): Objection to 25 form.</p> <p style="text-align: right;">Page 71</p> | <p>1 Q. Do you know how long he will continue to 2 receive salary? 3 A. Until he's no longer treasurer. 4 Q. And then once he is no longer treasurer -- 5 well, actually, let me ask you a different question. 6 Will he be treasurer until a new treasurer 7 is appointed? Is that the plan? 8 A. Yes. 9 Q. And is there currently an anticipated date 10 when that will occur? 11 A. I don't know. 12 Q. And once a new treasurer is put in place, 13 does Mr. Spray have any entitlement to 14 post-employment compensation? 15 A. Mr. Spray has a contract that provides for 16 post-employment compensation, yes. 17 Q. And do you know what that contract allows? 18 A. So generally -- in general terms, it 19 allows for compensation of three months' salary in 20 the event of a voluntary resignation and 18 months 21 in the event of a termination by the NRA that's not 22 for cause and no compensation beyond accrued 23 vacation time if it's a termination for cause. 24 Q. And under which category will Mr. Spray be 25 entitled to compensation?</p> <p style="text-align: right;">Page 73</p> |

1 A. I don't know at this time.
2 Q. Is that a matter that's under discussion?
3 A. I don't know. Actually, I should --
4 Q. So --
5 A. Actually --
6 MR. GARMAN (VIA ZOOM): Hold on.
7 Let's be careful here. If you're involved in this
8 because you're giving legal advice, it'll be
9 privileged. But if you're just simply -- if you're
10 just simply reporting what you understand other
11 people to -- to be conversations, you can answer to
12 that.
13 THE WITNESS (VIA ZOOM): Okay.
14 A. So if you'd restate the question, I can
15 answer accurately or maybe get it read back.
16 MS. STERN (VIA ZOOM): Can the court
17 reporter read the question back, please.
18 (Record read.)
19 A. Yes, it's under discussion.
20 Q. And who is handling those discussions?
21 MR. GARMAN (VIA ZOOM): Again, if --
22 if you just are aware of the fact of those
23 discussions, you can answer that question.
24 A. Yeah, I know it's under discussion between
25 NRA staff and the Brewer firm.

Page 74

1 Q. Have you had any conversations with
2 Mr. Spray concerning post-employment compensation
3 matters?
4 A. Yes.
5 Q. And what's the sum and substance of those
6 conversations?
7 MR. GARMAN (VIA ZOOM): Okay. So I
8 may need to take a break. I don't -- I don't know
9 this. I need to figure out whether this is --
10 whether this is in his capacity as -- as counsel.
11 THE WITNESS (VIA ZOOM): Okay.
12 MS. STERN (VIA ZOOM): Okay. I just
13 want to raise the point that their interests are not
14 necessarily aligned in this conversation -- in the
15 conversation, a negotiation over --
16 MR. GARMAN (VIA ZOOM): Well, I
17 think -- I think you added a fact there. I need to
18 figure out whether this is -- this was part of a, for
19 instance, advice that was obtained -- just throwing
20 out a hypothetical, advice that was sought
21 preretirement. I just don't know what the answer is.
22 So, Emily, I'm happy to go on with the
23 questioning. I have been -- I have been attempting
24 to -- to make sure that we can answer as many
25 questions as possible, so I'm going to have to be

Page 75

1 extra cautious if I don't understand the substance of
2 this -- these communications.
3 MS. STERN (VIA ZOOM): I -- I have no
4 objection to that, and I appreciate your being
5 careful and also the -- allowing us to, you know,
6 proceed. So if you need to take a moment to talk to
7 your client, I'm happy to do that.
8 MR. GARMAN (VIA ZOOM): Yeah, so let's
9 go off the record.
10 MS. STERN (VIA ZOOM): I'm going to
11 step away myself for a second.
12 THE VIDEOGRAPHER (VIA ZOOM): Going
13 off the record. The time is 11:20 a.m.
14 (Recess 11:20 a.m. to 11:28 a.m.)
15 THE VIDEOGRAPHER (VIA ZOOM): Going
16 back on the record. The time is 11:28 a.m.
17 MR. GARMAN (VIA ZOOM): Ms. Stern,
18 this might be unorthodox, but we'll see which you
19 prefer. We can -- we can go down the path of some of
20 the questions you have asked or we might be able to
21 give you a little broader set of information if you
22 were to allow Mr. Frazer to give a slight narrative
23 to the topic that I think you're asking about. But
24 obviously it's your deposition and we'll proceed as
25 you see fit.

Page 76

1 MS. STERN (VIA ZOOM): And just to be
2 clear, a narrative on the topic of communications
3 with Mr. Spray about terms of his --
4 MR. GARMAN (VIA ZOOM): Yes.
5 MS. STERN (VIA ZOOM):
6 -- compensation?
7 MR. GARMAN (VIA ZOOM): Yes. Yes.
8 MS. STERN (VIA ZOOM): Current?
9 MR. GARMAN (VIA ZOOM): Yes.
10 MS. STERN (VIA ZOOM): Okay. I'll --
11 MR. GARMAN (VIA ZOOM): Happy to
12 proceed as you see fit.
13 MS. STERN (VIA ZOOM): Okay. I
14 appreciate the offer, and in light of Mr. Frazer's
15 role as general counsel and navigating privilege,
16 let's start with the narrative, and then I will see
17 what further follow-up questions that I have.
18 MR. GARMAN (VIA ZOOM): Sure.
19 A. Okay. Sure. Thanks I appreciate your
20 patience with this. I know it's -- I know it's
21 challenging.
22 So the -- so Mr. Spray, since he has been
23 on leave, has communicated with us regarding --
24 regarding the status of -- of post-employment
25 arrangements. So he resigned. He has requested

Page 77

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| <p>1 more than the three months' payment that would be 2 aligned with a voluntary resignation. The issue is 3 still under consideration with counsel. 4 Q. And is -- are you handling that? 5 A. I'm -- I'm one of those handling that, 6 yes. 7 Q. And I think you said the Brewer firm is 8 also involved in those discussions? 9 A. Yes. 10 Q. Are there any other counsel involved in 11 those discussions? 12 A. No, just -- just myself and the Brewer 13 firm. 14 Q. And does Mr. Spray have counsel? 15 A. Not to my knowledge. 16 Q. And other than communications concerning 17 the terms of his post-employment compensation, have 18 you had other communications with Mr. Spray since he 19 resigned? 20 A. Yes. So -- and I forgot to mention one 21 item, which is that he's also inquired about the 22 treatment of his -- of his accrued vacation payout 23 in the context of the -- of the bankruptcy and how 24 the limits of that will affect him and how that can 25 be addressed.</p> <p>Page 78</p> | <p>1 to -- it was about a two-week period early in the 2 filing, and there were -- so there were numerous 3 communications related to, you know, all of the 4 issues that arise in that situation; you know, the 5 compilation of the schedules and statement of 6 financial affairs; bank account issues, I think, in 7 that time period; dealings with vendors, you know, 8 concerned about their prepetition invoices or 9 adequate assurance. You know, Craig and I were on 10 some conference calls about those -- those types of 11 things. 12 Q. And so was Mr. Spray involved initially in 13 preparing the schedules or preparing the information 14 for the schedules either way? 15 A. He was initially involved, you know, 16 working through his -- his team. 17 Q. And his team -- one of the members of his 18 team is David Warren, right? 19 A. Right. 20 Q. And that the 341s, I think David Warren 21 said he prepared or was principally responsible for 22 preparing the schedules. 23 Do I have that right? 24 MR. GARMAN (VIA ZOOM): Objection to 25 form.</p> <p>Page 80</p> |
| <p>1 I have had -- I have had actually a number 2 of other communications with him. So for -- so -- 3 you know, immediately after his resignation, I was 4 asked to monitor his inbox in the interim until a 5 new CFO could be appointed. And I forwarded him 6 some personal -- you know, messages of -- you know, 7 farewell messages, messages of gratitude from -- 8 from employees. I also have communicated with him 9 about retrieving personal items from his office 10 and -- trying to think what else. You know, some -- 11 some friendly -- a few business items about signing 12 over accounts as I've mentioned. 13 And then the -- and then some personal 14 communications. He sent me some pictures of his new 15 house and, you know, the wildlife in the area where 16 he lives. It's quite beautiful. 17 Q. Have you had any communication -- 18 discussions with him, communications in any form 19 concerning the bankruptcy filing? 20 A. Prior -- not since his resignation, no. 21 Q. And before his resignation? 22 A. Yes. 23 Q. And can you tell me the sum and substance 24 of those communications? 25 A. There were numerous communications related</p> <p>Page 79</p> | <p>1 Go ahead and answer. 2 A. I don't recall Mr. Warren's testimony 3 precisely. 4 Q. Okay. Who took responsibility for the 5 preparation of the schedules? 6 A. In -- in the work that I saw, primarily 7 Mr. -- Mr. Warren and Ms. Rowling, and of course I'm 8 sure they got assistance from others but those are 9 the -- those are the people that I interacted with. 10 Q. Mr. Spray was not aware of the NRA's 11 intention to file bankruptcy until the day it was 12 filed -- 13 MR. GARMAN (VIA ZOOM): Objection to 14 form. 15 Q. -- is that right? 16 MR. GARMAN (VIA ZOOM): Objection. 17 Go ahead. 18 A. I don't know. 19 Q. Did you have any conversations with 20 Mr. Spray prior to the date that the bankruptcy 21 petition was filed concerning that subject? 22 MR. GARMAN (VIA ZOOM): Object -- 23 object to form. 24 But go ahead and answer if you can. 25 A. I don't think I can answer without</p> <p>Page 81</p> |

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| <p>1 treading on privileged ground.</p> <p>2 Q. I'm just asking for a yes or no, not --</p> <p>3 MR. GARMAN (VIA ZOOM): I'm sorry,</p> <p>4 Emily, could you repeat the question.</p> <p>5 A. Yeah, maybe I misunderstood.</p> <p>6 MS. STERN (VIA ZOOM): Can you read it</p> <p>7 back?</p> <p>8 Could you please read it back?</p> <p>9 THE REPORTER (VIA ZOOM): Yes.</p> <p>10 (Record read.)</p> <p>11 MR. GARMAN (VIA ZOOM): I think you</p> <p>12 can answer yes or no.</p> <p>13 A. I apologize for the pause. I'm trying to</p> <p>14 remember -- remember a conversation. But I don't --</p> <p>15 but I think the -- I think the answer is, no, I</p> <p>16 don't think it was a conversation about bankruptcy.</p> <p>17 Q. Did you communicate to Mr. Spray your</p> <p>18 awareness in the fall of 2020 that the Brewer firm</p> <p>19 was doing bankruptcy-related work?</p> <p>20 MR. GARMAN (VIA ZOOM): Objection to</p> <p>21 the extent it was in the context of privileged</p> <p>22 communication. And if it is, I would instruct you</p> <p>23 not to answer, but you're other -- you can otherwise</p> <p>24 answer.</p> <p>25 A. I don't recall if I discussed that topic</p> <p>Page 82</p> | <p>1 Q. And are there agendas for those calls?</p> <p>2 A. Really just a list of the people who will</p> <p>3 be participating, and -- and Wayne may or may not</p> <p>4 take us in that order.</p> <p>5 Q. And -- and who -- is the list of who is</p> <p>6 participating standard?</p> <p>7 A. You know, I don't really read beyond</p> <p>8 the -- the dial-in information and whether we're</p> <p>9 having the call on schedule or not. But it's</p> <p>10 basically just a list of the -- of the senior staff</p> <p>11 who are participating, so it will say, like, you</p> <p>12 know, John, report from legal; Todd, membership;</p> <p>13 that kind of thing.</p> <p>14 Q. And -- and who are the usual attendees?</p> <p>15 A. So it would usually -- currently be</p> <p>16 myself, Ms. Rowling as acting CFO, Joe DeBergalis as</p> <p>17 executive director of general operations, Jason</p> <p>18 Ouimet as executive director of ILA, Todd Grable</p> <p>19 from membership, Tyler Schropp from the office of</p> <p>20 advancement, Jim Staples for security, Linda Crouch</p> <p>21 from human resources, and Dave Kellner from the NRA</p> <p>22 Whittington Center in New Mexico. And I feel like</p> <p>23 I'm forgetting someone but not coming to me offhand.</p> <p>24 Q. And do you prepare any other types of</p> <p>25 reports for Mr. LaPierre?</p> <p>Page 84</p> |
| <p>1 with him.</p> <p>2 Q. Did you discuss that topic -- I think --</p> <p>3 okay.</p> <p>4 In the role of general counsel, who do you</p> <p>5 report to?</p> <p>6 A. I report to Wayne LaPierre.</p> <p>7 Q. And can you describe the nature of your</p> <p>8 reporting relationship to him?</p> <p>9 A. Sure. Well, we talked earlier about</p> <p>10 methods of -- of communication. I actually want to</p> <p>11 mention one that I think I forgot, which is text</p> <p>12 messages. He's never sent me a text message, but</p> <p>13 there was one time when he was scrambling to get a</p> <p>14 on a conference call and asked me to text him the</p> <p>15 dial-in information. I just wanted to make sure</p> <p>16 that's complete.</p> <p>17 The -- but generally we have a weekly</p> <p>18 staff call among the in-house executive team and</p> <p>19 report on major areas of activity, major items of</p> <p>20 general interest to the -- to the group. And so</p> <p>21 that's the -- that's the most regularized</p> <p>22 communication. Other than that, I -- I reach out</p> <p>23 him, as I described earlier, as needed.</p> <p>24 Q. And who leads the weekly staff call?</p> <p>25 A. Wayne does.</p> <p>Page 83</p> | <p>1 A. Not routinely, no. Actually -- actually,</p> <p>2 let me correct that. There's a -- there's a --</p> <p>3 there's a report of the executive vice president to</p> <p>4 the board, which -- to the full board which includes</p> <p>5 a short section on -- on the OGC. But it's really a</p> <p>6 high-level summary of the type of activities that we</p> <p>7 conduct and doesn't list specific matters. The</p> <p>8 specific matters are reported to the legal affairs</p> <p>9 committee.</p> <p>10 Q. And so specific legal matters are not</p> <p>11 routinely reported to Mr. LaPierre?</p> <p>12 MR. GARMAN (VIA ZOOM): Objection;</p> <p>13 form of the question.</p> <p>14 A. Matters that require some action or</p> <p>15 attention by him are reported. Others I deal</p> <p>16 with -- directly with affected -- affected, you</p> <p>17 know, businesspeople affected, you know --</p> <p>18 whoever -- whoever is the -- the appropriate, you</p> <p>19 know, person to deal with the issue.</p> <p>20 Q. And then you said, I think, that you reach</p> <p>21 out to Mr. LaPierre on an as-needed basis and that</p> <p>22 it's typically orally?</p> <p>23 A. Yes.</p> <p>24 Q. And -- and how often does Mr. LaPierre</p> <p>25 reach out to you?</p> <p>Page 85</p> |

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| <p>1 A. We'll probably -- outside of the staff 2 meetings, we'll probably talk one to three times a 3 week depending on what's going on. Sometimes it can 4 be a lot more than that; sometimes we might -- might 5 not talk for a week. And that's -- that's total 6 across both of my capacities. 7 Q. Okay. And before COVID how often would 8 you actually meet in person with Mr. LaPierre? 9 A. Probably less often than we -- than we 10 talk now. But, you know, I would -- I would 11 probably meet with him in person every couple of 12 weeks again, as needed. 13 Q. And when you, pre-COVID, were meeting with 14 him maybe every couple of weeks, what was the extent 15 of the other forms of communication? 16 MR. GARMAN (VIA ZOOM): Objection to 17 form. 18 Go ahead. 19 A. If he was out of the office and -- and 20 needed something, he would call me. You know, I 21 recognize that he's a -- he's a busy person, and so 22 I try to save things up to the extent I can. So if 23 it's not a screaming emergency, I'll wait until he's 24 in the office and sit down with him or wait until he 25 calls me about something else and has time.</p> <p>Page 86</p> | <p>1 A. Yes. 2 Q. Are there other examples of types of 3 matters that are also similarly handled 4 collaboratively? 5 A. Really everything. I -- I can't think 6 of -- offhand, I can't think of any issue that is 7 handled by a -- you know, by me entirely without any 8 communication or help from anyone else, nor for the 9 OGC. We're dealing with -- you know, we're 10 representing a client, so we're always dealing 11 with -- we're always dealing with, you know, some 12 responsible person within the organization. 13 Q. So do you expect as the general counsel 14 that when executives in the NRA become aware of a 15 legal issue, that they would notify you? 16 A. That -- 17 MR. GARMAN (VIA ZOOM): Objection to 18 form. 19 Go ahead. 20 A. That would be my hope, and I -- and I 21 believe that's what normally happens. 22 Q. And would you agree with me that it's 23 important to you to fulfill your job 24 responsibilities to be aware of legal issues when 25 they get presented -- when they're presented to the</p> <p>Page 88</p> |
| <p>1 Q. You testified earlier this week at your 2 30(b)(6) deposition that -- you described some 3 matters as being handled in a collaborative fashion. 4 Who were the typical collaborators? 5 MR. GARMAN (VIA ZOOM): Objection to 6 form. 7 A. I don't recall which -- which matters I 8 was referring to in that -- with that phrase. 9 Q. You talked about in the context of 10 compliance. 11 A. Uh-huh. Okay. 12 Q. Is that one area where there's 13 collaboration? 14 A. I think I -- you know, I personally try to 15 be collaborative on -- on everything. I recognize 16 there are only so many hours in the day. I can't do 17 everything myself. I'm going to need support either 18 from my internal team or from outside counsel or 19 from divisions that have factual knowledge or 20 involvement in an issue or from -- or from the 21 board. Again, it depends on the specific issue. 22 Q. And we also talked about the handling of 23 excess benefit payments to -- to certain individuals 24 as something that was handled collaboratively; is 25 that correct?</p> <p>Page 87</p> | <p>1 NRA? 2 MR. GARMAN (VIA ZOOM): Objection to 3 form. 4 Go ahead. 5 A. Yes. 6 Q. And in order for you to effectively manage 7 those issues, you need to have notice of them; is 8 that right? 9 A. Yes. 10 Q. Does Mr. LaPierre do that? 11 MR. GARMAN (VIA ZOOM): Objection to 12 form. 13 Go ahead. 14 A. It depends on the issue. There are some 15 issues that he -- that he may discuss directly with 16 outside counsel and -- or there may be others that 17 he brings to me. Again, it depends on the nature of 18 the issue. 19 Q. And how -- can you explain the 20 distinction, the circumstances when he brings it to 21 you versus when he brings it to outside counsel? 22 MR. GARMAN (VIA ZOOM): Objection to 23 form. 24 A. Well, I don't know everything that -- I 25 don't know everything -- I don't know how he becomes</p> <p>Page 89</p> |

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| <p>1 aware of everything or how he decides what to -- 2 what to bring to whom. I think the things that he 3 brings to me are issues that -- that he believes 4 that I need to be aware of and am the appropriate 5 person to -- to talk to. 6 And sometimes when he talks to outside 7 counsel, you know, he may ask them to communicate 8 with me as well so that we can collaborate. 9 Q. Does that make it difficult for you to do 10 your job if the person who is running the day-to-day 11 affairs of the NRA is not alerting you to legal 12 issues? 13 MR. GARMAN (VIA ZOOM): Objection to 14 form. 15 A. I think I disagree with the -- with the 16 premise. I think I am being alerted directly or 17 indirectly to our significant issues. 18 Q. What are some instances where -- that you 19 can recount where Mr. LaPierre took a legal issue to 20 outside counsel rather than bring it to you in the 21 first instance? 22 MR. GARMAN (VIA ZOOM): Objection to 23 form. 24 We have to be careful on this one, but 25 to the extent that -- to the extent that you're not</p> <p style="text-align: right;">Page 90</p> | <p>1 instance. 2 A. Can I -- can I confer with counsel on 3 this? 4 Q. Yes. 5 A. Thanks. 6 THE VIDEOGRAPHER (VIA ZOOM): Going 7 off the record. The time is 11:50 a.m. 8 (Recess 11:50 a.m. to 12:01 p.m.) 9 THE VIDEOGRAPHER (VIA ZOOM): Going 10 back on the record. The time is 12:01 p.m. 11 Q. Okay. So again, my question is: During 12 the break when you were conferring on privilege, 13 with whom were you conferring, which counsel? 14 A. I conferred with Mr. Garman and 15 Ms. Eisenberg. 16 Q. Okay. And do you want the court reporter 17 to read back the question? 18 A. Sure. 19 Q. I think she needs to go back to the prior 20 Q and A to provide context. 21 MS. STERN (VIA ZOOM): Michelle, would 22 you do that for us, please. 23 THE REPORTER (VIA ZOOM): Yes. 24 (Record read.) 25 A. Okay. So -- so the answer is yes, I am</p> <p style="text-align: right;">Page 92</p> |
| <p>1 disclosing attorney-client privilege that may come 2 through someone other than Mr. LaPierre, you can 3 answer. 4 A. So it's -- you know, as I said to 5 Mr. Sheehan at one point, it's tough to recall the 6 dogs that don't bark. But -- and I'm having trouble 7 thinking of -- of examples, but -- you know, and all 8 of the examples that I can think of are -- are 9 issues where outside counsel then contacted me, 10 so -- so I ended up being involved. 11 So -- but I -- I recall maybe some 12 discussions of some contracts or -- and maybe of 13 some HR matters, you know, all of which I soon 14 became aware of through, you know, counsel; one 15 counsel or another calling me and saying, well, I 16 spoke with Wayne, Wayne wants us to work on X, and 17 then we would work on X. 18 Q. And -- and are there instances that you 19 can recall where Mr. LaPierre made determinations on 20 legal issues with outside counsel in the first 21 instance rather than discussing with you? 22 A. Not that I can recall specifically. You 23 mean determinations like a final decision on some 24 issue? 25 Q. A decision to take a legal action, for</p> <p style="text-align: right;">Page 91</p> | <p>1 aware of such instances. 2 Q. Okay. Can you tell me all of the 3 instances that you're aware of? 4 A. Actually -- actually, correct myself. 5 There's one that I can think of specifically. 6 It's -- which was the -- the lawsuit -- the first 7 Virginia lawsuit against Ackerman McQueen, that 8 initial decision. 9 Q. And what occurred there? 10 A. The decision was made to file, and I was 11 informed I think shortly after the -- after the 12 complaint was filed. 13 Q. And this was a lawsuit that was brought in 14 about April 2019; is that correct? 15 A. Yes. 16 Q. And you were, in fact, surprised that they 17 had filed the lawsuit? 18 MR. GARMAN (VIA ZOOM): Objection to 19 form. 20 Go ahead. 21 Q. Is that right? 22 A. No, I can't say I was surprised. 23 Q. But you weren't aware that it was going to 24 be filed? 25 A. I wasn't aware that it was going to be --</p> <p style="text-align: right;">Page 93</p> |

1 I wasn't aware that it was going to be filed, but
2 given Ackerman's conduct, I wasn't surprised that it
3 had been filed.
4 Q. But I -- so let me just clarify my
5 question -- my --
6 MR. GRUBER (VIA ZOOM): And I object
7 as nonresponsive on that last question -- or answer.
8 Thank you.
9 Q. Let me make sure that my question was
10 clear.
11 You were surprised that the NRA filed when
12 it filed; is that right?
13 MR. GARMAN (VIA ZOOM): Objection to
14 form.
15 Go ahead.
16 A. Yes.
17 Q. And in that context of the Ackerman
18 lawsuit, you had not even read the pleading before
19 it was filed; isn't that right?
20 MR. GARMAN (VIA ZOOM): Objection --
21 hold on.
22 I don't know whether you will be able
23 to answer that without invading attorney-client
24 privilege.
25 A. Sitting here today, I just -- I actually

Page 94

1 can't recall the answer.
2 Q. Okay. Hold on one second.
3 Well, did Mr. LaPierre consult with you on
4 the decision to file for Chapter 11 bankruptcy
5 before the petition was filed?
6 MR. GARMAN (VIA ZOOM): Object.
7 Q. Yes or no is the -- I'm only asking yes or
8 no.
9 MR. GARMAN (VIA ZOOM): Yeah, no,
10 we're not going to go there. I object. That -- that
11 invades the attorney-client privilege.
12 Q. Are you going to take your lawyer's
13 direction not to answer that question?
14 A. Yes, I'm going to take counsel's advice.
15 Q. You were not aware of the filing of the
16 bankruptcy petition until the very day that it was
17 filed; isn't that correct?
18 A. Yes.
19 Q. Did you ever inform anyone on the board
20 that you did not learn of it until the date of its
21 filing?
22 MR. GARMAN (VIA ZOOM): Objection to
23 the extent you could only answer that by invading the
24 attorney-client privilege, but go ahead if you can.
25 A. No.

Page 95

1 Q. Of the other eight members -- we talked
2 before, sorry, about the officers and the leadership
3 structure of the NRA, the salaried --
4 A. Uh-huh.
5 Q. -- officers.
6 A. Yes.
7 Q. Among that group, can you tell me who was
8 aware that -- of the plan to file for bankruptcy
9 before the actual filing?
10 MR. GARMAN (VIA ZOOM): Object to the
11 form of the question.
12 Answer if you know.
13 A. I don't know who was aware before the
14 filing.
15 I'm sorry, you're --
16 Q. Was --
17 A. I'm sorry, you're encompassing both the --
18 the in-house and outside officers, all -- all eight
19 including myself?
20 Q. Yeah. Let me just -- so that the record
21 isn't so muddy, you as the secretary, were you
22 aware?
23 MR. GARMAN (VIA ZOOM): Object to the
24 form of the question.
25 A. So was I --

Page 96

1 Q. Were you aware of the filing before it
2 was, in fact, filed?
3 A. Yes.
4 Q. When -- when did you become aware?
5 MR. GARMAN (VIA ZOOM): Hold on.
6 So -- so let's just talk about this,
7 Emily, because I'm not trying to be difficult, but
8 you have pinned down to the day, and I can't let him
9 testify as to the specifics of it without invading
10 the attorney-client privilege. So I'm not sure
11 what -- what question you're asking him, but to
12 answer, you're going to have to work around that.
13 Q. Prior to January 15th you were not aware
14 that a petition for bankruptcy was going to be filed
15 on January 15th; is that right?
16 A. Yes.
17 Q. Okay. And the -- Mr. Spray, do you know
18 if he was aware of the plan to file bankruptcy
19 before January 15th?
20 MR. GARMAN (VIA ZOOM): Object to the
21 form of the question.
22 Go ahead and answer if you can.
23 A. I don't think he was aware before
24 January 15th.
25 Q. Do you know if the executive director of

Page 97

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| <p>1 general operations, Mr. DeBergalis, was aware? 2 A. I don't know. 3 Q. Do you know if the -- Mr. Ouimet, the 4 executive director of -- of ILA, was aware? 5 MR. GARMAN (VIA ZOOM): Emily, we lost 6 you for a second on a lag on the Zoom. 7 MS. STERN (VIA ZOOM): Oh, I'm sorry. 8 MR. GARMAN (VIA ZOOM): Could I ask 9 you -- could I ask you to repeat the call -- or the 10 question. 11 MS. STERN (VIA ZOOM): Sure. 12 Q. My question was: Do you know if 13 Mr. Ouimet, the executive director of ILA, was aware 14 of the plan to file bankruptcy before January 15th? 15 A. No, I don't know. 16 Q. Do you know if Carolyn Meadows was aware 17 of the plan to file for bankruptcy before 18 January 15th? 19 A. I believe she was. 20 MR. GARMAN (VIA ZOOM): So -- 21 Q. Do you know when she became aware? 22 MR. GARMAN (VIA ZOOM): So I'm going 23 to caution you not to speculate. 24 THE WITNESS (VIA ZOOM): Uh-huh. 25 MR. GARMAN (VIA ZOOM): You are</p> <p style="text-align: right;">Page 98</p> | <p>1 A. I believe he was. 2 Q. And do you know when he became aware? 3 A. No, I don't. 4 MS. STERN (VIA ZOOM): So let's see, 5 this is -- off the record for a second. 6 THE VIDEOGRAPHER (VIA ZOOM): Going 7 off the record. The time is 12:11 p.m. 8 (Recess 12:11 p.m. to 1:46 p.m.) 9 THE VIDEOGRAPHER (VIA ZOOM): Going 10 back on the record. The time is 13:46 p.m. 11 MS. STERN (VIA ZOOM): Okay. Stephen, 12 can you pull up the document that we marked as tab 4. 13 MR. THOMPSON (VIA ZOOM): It's being 14 introduced now. It should be available in just a 15 minute. 16 MS. STERN (VIA ZOOM): Can you put it 17 on the share also, screen share, Stephen? 18 MR. THOMPSON (VIA ZOOM): Yes. 19 MS. STERN (VIA ZOOM): Thanks. 20 THE WITNESS (VIA ZOOM): See which one 21 I can see better. 22 MR. GARMAN (VIA ZOOM): Yeah. It's 23 not there yet. 24 MR. THOMPSON (VIA ZOOM): I apologize. 25 It seems to have frozen in the act of distributing</p> <p style="text-align: right;">Page 100</p> |
| <p>1 obligated to -- to answer what you have personal 2 knowledge of -- 3 THE WITNESS (VIA ZOOM): Uh-huh. 4 MR. GARMAN (VIA ZOOM): -- but -- but 5 I'm going to instruct you not to speculate -- 6 THE WITNESS (VIA ZOOM): Okay. 7 MR. GARMAN (VIA ZOOM): -- if you are. 8 THE WITNESS (VIA ZOOM): Okay. 9 MR. GARMAN (VIA ZOOM): So go ahead 10 and answer the next question. 11 THE WITNESS (VIA ZOOM): Okay. 12 Q. I think there's a pending question. 13 MR. GARMAN (VIA ZOOM): I think I 14 spoke over you. Could you repeat it? 15 MS. STERN (VIA ZOOM): Oh. Michelle, 16 did you get the question? 17 (Record read.) 18 A. No. 19 Q. Do you know if Mr. Cotton was aware of the 20 plan to file for bankruptcy before January 15th? 21 A. I believe he was. 22 Q. Do you know when he became aware? 23 A. No. 24 Q. Do you know whether Mr. Lee was aware of 25 the plan to file for bankruptcy before January 15th?</p> <p style="text-align: right;">Page 99</p> | <p>1 it. Let me try one more time. 2 MR. GARMAN (VIA ZOOM): I don't see it 3 yet in the -- 4 MR. THOMPSON (VIA ZOOM): Okay. No, 5 it should be -- it was just introduced, and I will 6 pull it up on the screen share. 7 MR. GARMAN (VIA ZOOM): There we go. 8 So the screen that we're using for the Zoom is now -- 9 is now fairly far, so I'm going to have -- I'm going 10 to have Mr. Frazer look at my monitor. I'll 11 represent to everyone that the only thing on my 12 monitor is this exhibit. 13 MS. STERN (VIA ZOOM): Okay. Thank 14 you. 15 (Exhibit 2 marked.) 16 THE WITNESS (VIA ZOOM): I can 17 actually see on the big monitor better. 18 MR. GARMAN (VIA ZOOM): Oh, you can 19 see it? Yeah. Now we got it. 20 MS. STERN (VIA ZOOM): Oh, great. 21 Q. Okay. So, Mr. Frazer, I put before you a 22 document we have marked as Exhibit 2, and I ask you 23 if you can identify this document, please. 24 A. Yes. This is an email message that I sent 25 to the -- to the NRA board and executive councils --</p> <p style="text-align: right;">Page 101</p> |

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| <p>1 excuse me, executive council announcing the filing 2 of the Chapter 11 petition. 3 Q. Okay. I'm just going to note for the 4 record that the top of the document is a result of 5 it being -- the form which it was provided to my 6 office. So I believe the top of the document is -- 7 has the name of an AAG, but -- so that wasn't on the 8 original document, Stephen Thompson's name, correct? 9 A. Understood. Understood. 10 MR. GARMAN (VIA ZOOM): Understood. 11 Q. Okay. Okay. So my question: Is this the 12 first notice that the board was given of the 13 bankruptcy filing? 14 MR. GARMAN (VIA ZOOM): And just to 15 interject here, to the extent that you want to review 16 more of it, let us know. 17 A. Just scroll down quickly. 18 Q. Yeah. 19 MR. GARMAN (VIA ZOOM): We have -- we 20 have control of this one. 21 THE WITNESS (VIA ZOOM): Oh. 22 MR. GARMAN (VIA ZOOM): I'll give you 23 the mouse. 24 A. (Reviewed document.) Yes, this is the 25 first I'm aware of.</p> <p style="text-align: right;">Page 102</p> | <p>1 A. Well, some of -- some -- what I'm -- what 2 I'm saying is that I don't know that such 3 notification didn't happen, but I -- what I do know 4 is that the way that it would -- notification to the 5 entire board on any matter would happen would be 6 through my office, and that's how I know that this 7 would be the first. 8 Q. Do you have reason to believe that 9 notification was made to some members of the board 10 before this email? 11 A. Well, I think the members of the special 12 litigation committee, the president and vice 13 presidents who are officers, were obviously aware. 14 Q. And why do you say "obviously aware"? 15 A. Because the -- the SLC has been involved 16 in these discussions as I -- as I understand it. 17 Q. And you testified that you believe that 18 Mr. Cotton and Mr. Lee were aware of the intention 19 to file for bankruptcy before January 15th. 20 What's the basis for that belief? 21 MR. GARMAN (VIA ZOOM): Objection to 22 form; asked and answered. 23 Go ahead. 24 A. It's based on their -- on their service on 25 the special litigation committee.</p> <p style="text-align: right;">Page 104</p> |
| <p>1 Q. And before this email was sent out, did 2 you -- were you asked to review it? 3 A. I was -- I was asked to send it. And let 4 me -- let me actually just -- just make -- clarify 5 one point. This is the first notification that was 6 sent to the entire board as a function of the 7 secretary's office. 8 Q. Okay. And what prior notification was 9 provided to portions of the board? 10 A. I don't -- I don't know what notification 11 may have been made to individual members or smaller 12 subsets, but this -- this is the message that went 13 out to the entire board. 14 Q. Okay. And so does that mean that you did 15 not personally provide notice to portions of the 16 board prior to this January 15th email? 17 MR. GARMAN (VIA ZOOM): Objection to 18 form. 19 Go ahead. 20 A. No, I didn't. 21 Q. And what's the basis for your belief that 22 there was notice provided to some portions of the 23 board prior to January 15th? 24 MR. GARMAN (VIA ZOOM): Objection to 25 form.</p> <p style="text-align: right;">Page 103</p> | <p>1 Q. Are you assuming that from the fact that 2 they're on the special litigation committee? 3 A. Not entirely. 4 Q. Then what are you -- what is your belief 5 based on? 6 MR. GARMAN (VIA ZOOM): I'm going to 7 object to the extent the only answer you could give 8 is subject to the attorney-client privilege, but you 9 can answer outside of that. 10 A. I don't think I can answer without -- 11 without getting into attorney-client privileged 12 material. 13 Q. Do you know if the members of the special 14 litigation committee knew of the plan to file for 15 bankruptcy before the time they signed the 16 resolution that was attached to the bankruptcy 17 petition? 18 MR. GARMAN (VIA ZOOM): So I'm going 19 to -- I'll start short-handing these if it's okay 20 with everybody. I'll just admonish the witness that 21 this might invade the attorney-client privilege and 22 not to -- to invade that in his answer if we all can 23 agree that if I simply say I admonish the witness 24 to -- to be -- on the attorney-client privilege, 25 that's the objection I'm lodging.</p> <p style="text-align: right;">Page 105</p> |

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| <p>1 Trying to short --</p> <p>2 MS. STERN (VIA ZOOM): That's fine</p> <p>3 with me.</p> <p>4 MR. GARMAN (VIA ZOOM): Trying to</p> <p>5 speed it up a little bit.</p> <p>6 THE WITNESS (VIA ZOOM): Okay.</p> <p>7 MR. GARMAN (VIA ZOOM): So...</p> <p>8 A. So can we -- can I have the question</p> <p>9 again?</p> <p>10 MS. STERN (VIA ZOOM): Can the</p> <p>11 reporter please read the question?</p> <p>12 MR. GRUBER (VIA ZOOM): Can I -- this</p> <p>13 is Mike Gruber real quick. I don't mind going along</p> <p>14 with that, but I want to -- I want it understood that</p> <p>15 I don't believe any of this is subject to</p> <p>16 attorney-client. So with that statement, I don't</p> <p>17 want to be waiving it by agreeing to what y'all are</p> <p>18 proposing. But --</p> <p>19 MR. GARMAN (VIA ZOOM): Understood and</p> <p>20 agreed.</p> <p>21 MR. GRUBER (VIA ZOOM): -- otherwise</p> <p>22 he --</p> <p>23 MR. GARMAN (VIA ZOOM): Yeah.</p> <p>24 MR. GRUBER (VIA ZOOM): I think that</p> <p>25 helps things move along. Thank you.</p> <p style="text-align: right;">Page 106</p> | <p>1 A. There -- to my recollection, there were</p> <p>2 two emails. There was -- there was one that went</p> <p>3 out the Friday evening -- the initial communication</p> <p>4 about the cancellation which went out Friday --</p> <p>5 Friday the 12th.</p> <p>6 And then subsequently -- I don't recall</p> <p>7 the date, but there was a subsequent email</p> <p>8 apologizing to the board for the inconvenience and</p> <p>9 informing them that we intended to hold a</p> <p>10 rescheduled meeting in Dallas within the coming</p> <p>11 weeks.</p> <p>12 Q. And does -- do you know if the purpose --</p> <p>13 one of the purposes of that meeting is to ratify</p> <p>14 approval of filing of the bankruptcy petition?</p> <p>15 MR. GARMAN (VIA ZOOM): Objection to</p> <p>16 the extent that calls for attorney-client privilege.</p> <p>17 A. I can't answer based -- I can't -- I'm</p> <p>18 sorry. So I can answer, which meeting are you</p> <p>19 referring to, the original or the rescheduled?</p> <p>20 Q. Let's start with the rescheduled.</p> <p>21 A. Okay. No.</p> <p>22 Q. What about the original meeting?</p> <p>23 A. I can't answer on the grounds of</p> <p>24 privilege.</p> <p>25 Q. Mr. Frazer, are you familiar with the</p> <p style="text-align: right;">Page 108</p> |
| <p>1 (Record read.)</p> <p>2 A. Yes.</p> <p>3 Q. The special meeting that was intended to</p> <p>4 occur -- I think it was March 14th but mid March, is</p> <p>5 there a -- was there an agenda prepared for that</p> <p>6 meeting?</p> <p>7 A. There was a -- there was a draft agenda</p> <p>8 prepared for the meeting.</p> <p>9 Q. And what was the substance of the draft</p> <p>10 agenda?</p> <p>11 A. The substance of the draft agenda would --</p> <p>12 and this is -- this is from my memory, but it would</p> <p>13 include the usual opening items, such as a call to</p> <p>14 order, opening prayer, Pledge of Allegiance, reports</p> <p>15 of the officers, and a legal briefing.</p> <p>16 Q. And has there been an agenda prepared for</p> <p>17 the rescheduled meeting?</p> <p>18 A. Not yet.</p> <p>19 Q. And has there been a -- I think we -- you</p> <p>20 said -- other than the email that -- I think you</p> <p>21 said there was an email that provided notice of the</p> <p>22 cancellation of the mid-March meeting.</p> <p>23 Are there any other documents or</p> <p>24 communications to the board concerning the upcoming</p> <p>25 meeting?</p> <p style="text-align: right;">Page 107</p> | <p>1 contract procurement policy -- the NRA's policy that</p> <p>2 requires certain levels of approval for contracts</p> <p>3 over \$100,000?</p> <p>4 A. Yes.</p> <p>5 Q. And whose approvals are required for</p> <p>6 contracts over \$100,000?</p> <p>7 A. The policy requires a legal sign-off and</p> <p>8 then it requires approval of the treasurer and</p> <p>9 executive vice president.</p> <p>10 Q. And -- and does it also require, in</p> <p>11 certain circumstances, a business case analysis?</p> <p>12 A. Yes, it does.</p> <p>13 Q. And what are those circumstances?</p> <p>14 A. I can't recall if there are any -- you</p> <p>15 know, sitting here without the document, I can't</p> <p>16 recall if there are any exceptions to the business</p> <p>17 case analysis requirement. I do -- coming back to</p> <p>18 the question, I don't recall if there are any -- if</p> <p>19 there were any exceptions to that requirement.</p> <p>20 But -- so normally a business case --</p> <p>21 Q. Does the business case analysis -- I'm</p> <p>22 sorry to interrupt. Finish your answer.</p> <p>23 A. Normally there would be a business case</p> <p>24 analysis.</p> <p>25 Q. And does that -- do you expect for a</p> <p style="text-align: right;">Page 109</p> |

1 contract retaining counsel to -- where it's going to
2 exceed -- expected to exceed \$100,000 that it will
3 include a business case analysis?
4 A. Yes.
5 Q. Okay. Prior to engaging the --
6 Mr. Neligan's firm, how many bankruptcy firms did
7 the debtor speak to?
8 A. My recollection -- well, let me -- let me
9 confer with -- may I confer with counsel on this?
10 Q. I just -- before you do that, I would just
11 remind you that you have put in a declaration in
12 support of the engagement of various lawyers in this
13 proceeding and have discussed certain facts, so
14 just -- if we can -- it -- maybe that will sort of
15 help you recall where the line was drawn?
16 A. No, I'm --
17 Q. I don't want to be giving you advice.
18 You're certainly free to check with your attorney.
19 It's just --
20 A. Right.
21 Q. I'm just trying to sort of move us along.
22 A. I -- I understand. I'm aware. And it
23 should be very brief.
24 THE VIDEOGRAPHER (VIA ZOOM): Going
25 off the record. The time is 14:01 p.m.

Page 110

1 (Recess 2:01 p.m. to 2:05 p.m.)
2 THE VIDEOGRAPHER (VIA ZOOM): Going
3 back on the record. The time is 14:05 p.m.
4 Q. And, Mr. Frazer, you had the opportunity
5 to consult with your counsel. That was Mr. Garman
6 and Ms. Eisenberger --
7 A. That's correct.
8 Q. -- is that right?
9 A. That's correct.
10 MS. STERN (VIA ZOOM): And can we have
11 the last question be read, please.
12 (Record read.)
13 A. I don't recall the exact number.
14 Q. Were you involved in those conversations?
15 A. No, I wasn't.
16 Q. Who was?
17 A. I was -- I was told by Mr. Brewer that he
18 had interviewed -- he had interviewed the firms.
19 Q. And do you know what firms Mr. Brewer
20 interviewed?
21 A. He -- he told me, but I don't recall the
22 names.
23 Q. Do you know when these interviews were
24 conducted?
25 A. I do not know.

Page 111

1 Q. And when did you speak with Mr. Brewer
2 about his interview of various bankruptcy firms for
3 this matter?
4 A. It was shortly before executing my
5 declaration in support of the Neligan firm's
6 application.
7 Q. When was the first time that you met
8 Mr. Neligan or anyone at his firm?
9 A. I first spoke with them -- I don't recall
10 the exact date but shortly after the filing.
11 Q. After the filing.
12 And what was the context? In person?
13 Phone?
14 A. It was a phone call.
15 Q. And do you know what the basis was for the
16 selection of the Neligan firm for this matter?
17 MR. GARMAN (VIA ZOOM): I object.
18 Mr. Frazer submitted his declaration. We're prepared
19 to talk about the facts in his declaration, but the
20 substance of -- of that answer would require invasion
21 of the attorney-client privilege.
22 And I'm going to instruct you not to
23 answer.
24 Q. Mr. Frazer, did you select the Neligan
25 firm?

Page 112

1 A. No, I did not.
2 Q. Can you identify any other situation that
3 you as the general counsel have had where you have
4 not been involved in the selection of the counsel to
5 represent the NRA?
6 A. Yes, I can think of a couple of examples.
7 Q. Tell me what they were.
8 A. Well, one of them was the -- okay.
9 Leaving aside any firms that were working for us
10 before I was general counsel and that we have kept
11 on, I am aware of a couple.
12 One was the firm that represented us in
13 a -- in an intellectual property dispute in which we
14 were indemnified and -- and defended by Ackerman
15 McQueen, and they chose -- they chose the counsel --
16 or their insurer, I don't know.
17 And also the -- you know, various local
18 counsel that have -- that have -- various local
19 counsel that have assisted with litigation have been
20 recommended by the -- the firms -- you know, the
21 primary firms handling the litigation.
22 Ultimately the decision is -- is ours, but
23 I'm willing to take recommendations.
24 Q. Did you delegate the decision-making
25 authority on the retention of counsel in the

Page 113

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| <p>1 bankruptcy matter to anyone else at the NRA? 2 MR. GARMAN (VIA ZOOM): Objection to 3 foundation. It assumes facts not in evidence. 4 Objection to form, sorry. 5 A. I -- I did not. 6 Q. And in your declaration, you state, 7 Debtors determined that Neligan was the firm best 8 suited for this case based upon its experience, 9 qualifications, rates, success in confirming 10 reorganization plans for debtors in other cases, and 11 its location in Dallas, Texas, where the NRA 12 determined to file these cases. 13 Do you have personal knowledge of those 14 facts? 15 A. I was advised of those by counsel, and I 16 was provided information about comparative rates 17 from -- from employment applications of other firms. 18 Q. And who prepared those -- those materials 19 that you reviewed? 20 A. I believe it was the Brewer firm, but I 21 don't recall specifically who. 22 Q. And in the declaration, it -- it also 23 notes that the Neligan firm was chosen because of 24 its location in Dallas, Texas, and -- where NRA 25 determined to file these cases.</p> <p style="text-align: right;">Page 114</p> | <p>1 directions to Mr. Frazer not to testify as to matters 2 of privilege are -- there's no waiver by the Attorney 3 General to contest those. I just want that to be 4 clear. 5 MR. GARMAN (VIA ZOOM): I understand. 6 MS. STERN (VIA ZOOM): Okay. 7 MR. GRUBER (VIA ZOOM): Can I have the 8 same understanding? This is Mike Gruber on behalf of 9 Ackerman. 10 MR. GARMAN (VIA ZOOM): Of course. 11 MR. GRUBER (VIA ZOOM): Thank you. 12 Q. Okay. When was the Neligan firm engaged 13 by the NRA? 14 A. I'm sorry, I don't recall the date of -- 15 the date on the letter. 16 Q. And who signed the letter of engagement? 17 A. I'm sorry, I don't recall. 18 Q. Have you seen the engagement letter? 19 A. Yes. 20 Q. And have you provided that in this -- in 21 the bankruptcy? Have you produced it? 22 MR. GARMAN (VIA ZOOM): To who? 23 MS. STERN (VIA ZOOM): To the U.S. 24 trustee. 25 MR. GARMAN (VIA ZOOM): I'll represent</p> <p style="text-align: right;">Page 116</p> |
| <p>1 Was that determination made prior to the 2 formation of Sea Girt? 3 MR. GARMAN (VIA ZOOM): Go ahead. 4 A. Actually, I don't think I can answer 5 without invading privilege. 6 Q. So are you giving yourself the -- 7 MR. GARMAN (VIA ZOOM): So -- 8 Q. Are you -- 9 MR. GARMAN (VIA ZOOM): So I'll -- 10 I'll try and -- 11 Q. Are you giving yourself the direction not 12 to answer the question? 13 MR. GARMAN (VIA ZOOM): I'll try and 14 clean this up. Obviously -- obviously the deponent 15 is a -- is a lawyer for this client and has a duty to 16 make that independent analysis. But to the extent 17 this -- this invades the attorney-client privilege, I 18 instruct you not to answer. 19 A. And I'll -- 20 Q. Okay. 21 A. I'll follow our advice. 22 Q. Okay. 23 MS. STERN (VIA ZOOM): And I just -- 24 just to be clear on the record, we're going to just 25 keep moving on, but that should not be -- any of the</p> <p style="text-align: right;">Page 115</p> | <p>1 I don't know the answer to that. I assume the answer 2 is yes, but I -- I can't say for sure. 3 A. And I'm sorry, I just don't recall either. 4 MS. STERN (VIA ZOOM): Okay. Well, we 5 would ask that it be produced to the Attorney 6 General's office. 7 Q. So who authorized the retention of the 8 Neligan firm on behalf of the NRA? 9 A. I don't personally know. 10 Q. And Mr. Neligan's firm was given a 11 \$350,000 retainer as stated in your declaration. 12 Do you recall making that statement? 13 A. I do. 14 Q. And do you know when that was paid? 15 A. I -- I don't recall. 16 Q. Do you know who authorized that payment? 17 A. I do not, no. 18 Q. Do you know if there was a business case 19 analysis done before the Neligan firm was engaged? 20 A. I don't remember. 21 Q. So you have never seen a business case 22 analysis for retention of the Neligan firm; is that 23 right? 24 MR. GARMAN (VIA ZOOM): Objection to 25 form.</p> <p style="text-align: right;">Page 117</p> |

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| <p>1 A. That's not what I said. I don't -- I 2 don't remember if I've seen one. 3 Q. Okay. Have you -- have you ever seen a 4 business case analysis in connection with the 5 retention of the Neligan firm? 6 A. I don't -- 7 MR. GARMAN (VIA ZOOM): Objection to 8 form. He's asked -- answered a couple times. 9 A. I do not remember. 10 Q. Who would know if there's a business case 11 analysis? 12 A. You know, it would -- it would be in the 13 Association's records, but I'm not sure exactly 14 where. 15 Q. When the NRA engages a law firm to do -- 16 to work -- to do work for the NRA and there -- it's 17 a circumstance where it requires a business case 18 analysis under the procurement policy, who typically 19 handles that process? 20 A. It would typically be me or possibly one 21 of my assistant general counsels, depending on who 22 is going to be, you know, working with the firm. 23 Q. And are you aware of any other -- any 24 circumstances where the retention of counsel and 25 adherence to that policy did not go through the</p> <p style="text-align: right;">Page 118</p> | <p>1 A. I don't know. 2 Q. And who authorized that payment? 3 A. I don't recall. 4 Q. Do you know if Craig Spray was aware of 5 the million dollars being paid to the Neligan firm? 6 A. I -- I'm sorry, I don't know. 7 Q. Do you know if Sonya Rowling was aware of 8 a million dollars being paid to the Neligan firm? 9 A. I don't know. 10 Q. What was your role in the selection of the 11 Garman firm? 12 A. The Garman firm was recommended to -- was 13 recommended as additional counsel. I received a 14 proposed engagement letter and -- you know and went 15 through the usual retention processes. 16 Q. And who is it recommended -- who 17 recommended the Garman firm? 18 A. The -- the Brewer firm did. 19 Q. And did you consider any other firms when 20 contemplating bringing in additional bankruptcy 21 counsel? 22 A. Yes. 23 Q. What other firms? 24 A. I don't recall the names of the firms. 25 Q. Were you involved in that process?</p> <p style="text-align: right;">Page 120</p> |
| <p>1 Office of General Counsel? 2 MR. GARMAN (VIA ZOOM): Objection to 3 form. 4 A. Where retention of a law firm didn't go 5 through general counsel, yes. 6 Q. What circumstance is that? 7 A. It was a firm that was retained to do some 8 pension plan-related work, and it was retained 9 either by the treasurer's office or human resources; 10 I can't recall which. 11 Q. And when was that? 12 A. Sometime prior -- several years ago. I 13 don't know the exact date. 14 Q. So sitting here today, do you know if 15 there's anyone at the NRA who reviewed a business 16 case analysis for -- relating to the retention of 17 the Neligan firm? 18 A. I'm sorry, I just don't recall. 19 Q. And do you recall in your declaration that 20 you indicated that an additional \$1 million retainer 21 was paid to the Neligan firm prior to the petition 22 date? 23 A. Yes. 24 Q. And when was that \$1 million payment made 25 in whole or in part?</p> <p style="text-align: right;">Page 119</p> | <p>1 A. No. 2 Q. Who handled that process? 3 A. So my -- it was a -- it was a -- I believe 4 it was a recommendation from the Brewer firm. 5 Q. All of the firms that were considered were 6 all recommended by the Brewer firm? 7 A. Well, firms were -- were considered by the 8 Brewer firm but not all of them were ultimately 9 recommended. 10 Q. And what efforts did you make to determine 11 whether the Garman firm was acceptable to represent 12 the NRA in this matter? 13 A. So a couple of things. Again, I reviewed 14 the same -- the same set of prior approved 15 employment applications for bankruptcy firms in the 16 Northern District of Texas. And additionally the 17 Garman firm had previously represented the NRA 18 successfully as local counsel in a First Amendment 19 case. 20 Q. And who was the primary counsel in that 21 case? 22 A. The Brewer firm. 23 Q. And the materials that -- I think you said 24 you reviewed some materials about the various firms 25 that were under consideration.</p> <p style="text-align: right;">Page 121</p> |

1 Who prepared those materials?
2 A. Again, I think it was the Brewer firm.
3 Q. Was a business case analysis done with
4 respect to the retention of the Garman firm?
5 A. Yes.
6 Q. And who performed that analysis?
7 A. I prepared it.
8 Q. Is it in writing?
9 A. Yes.
10 Q. And what was the sum and substance of the
11 analysis?
12 MR. GARMAN (VIA ZOOM): Is this legal
13 advice you're giving in this document?
14 THE WITNESS (VIA ZOOM): I think -- I
15 think it is. I think I'm recommending counsel.
16 MR. GARMAN (VIA ZOOM): So I'm going
17 to instruct you not to answer this.
18 Counsel, I will go back and look at
19 the document to see if it -- if it is the privileged
20 information I believe it to be, but based upon this,
21 I'm going to instruct him not to answer the question.
22 Q. Okay. Do you have oversight of the legal
23 fees that are being incurred in the bankruptcy
24 process?
25 A. Yes.

Page 122

1 Q. Do you have -- bear primary responsibility
2 for that oversight?
3 A. I think the invoices are going to come to
4 me when they come.
5 Q. And did you have conversations with the
6 firms that have been retained as bankruptcy counsel
7 with respect to the budgets that are referenced in
8 the declarations that you have put in?
9 A. Yes.
10 Q. And was anyone else involved in those
11 discussions?
12 A. I'm trying to remember. The firms -- the
13 firms sent me budgets and I reviewed the budgets. I
14 don't recall if I had any questions.
15 Q. Was the Brewer firm involved in that
16 process too?
17 A. I don't recall. Obviously they were
18 involved in -- in sending me the budget for the
19 matters for which they were applying, but I don't
20 recall if they were involved in any discussion with
21 or about the other firms.
22 Q. And was anyone from the Office of General
23 Counsel besides you involved in that process?
24 A. No.
25 Q. Was Mr. LaPierre involved in that process?

Page 123

1 A. Not with me, no.
2 Q. Was he involved in that process with
3 anyone else?
4 MR. GARMAN (VIA ZOOM): Objection.
5 Just don't speculate; answer only in
6 your personal knowledge.
7 THE WITNESS (VIA ZOOM): Right.
8 A. Well, so -- again I'm -- source of
9 knowledge thing.
10 THE WITNESS (VIA ZOOM): Can we talk
11 for just a moment?
12 MR. GARMAN (VIA ZOOM): Sure.
13 THE VIDEOGRAPHER (VIA ZOOM): Going
14 off the record. The time is 14:26 p.m.
15 (Recess 2:26 p.m. to 2:27 p.m.)
16 THE VIDEOGRAPHER (VIA ZOOM): Going
17 back on the record. The time is 14:27 p.m.
18 Q. Mr. Frazer, you have asked to consult with
19 and you consulted with Mr. Garman and Ms. Eisenberg
20 again; is that right?
21 A. Just -- just Mr. Garman this time.
22 Thanks.
23 Q. Okay. Thank you.
24 MS. STERN (VIA ZOOM): So can we have
25 the last question read back, please.

Page 124

1 (Record read.)
2 A. So my understanding is that -- and I
3 appreciate your -- I appreciate your patience. I
4 just wanted to -- to verify whether what I had
5 learned had been from a privileged conversation.
6 My understanding is that Mr. LaPierre had
7 reviewed the budgets for the firms.
8 Q. Did the -- we talked before about the
9 requirements of sign-off on contracts over \$100,000.
10 Was the Neligan firm, was their sign-off
11 by the president and the others that are required
12 under the policy?
13 A. I -- I just don't recall because that
14 would go with the business case analysis. It's all
15 the same process.
16 Q. And the NRA has said that it has now
17 centralized its contracts and is managing them in a
18 more centralized fashion.
19 Where is that centralized location?
20 MR. GARMAN (VIA ZOOM): Objection to
21 form.
22 A. So all contracts ultimately go to the
23 financial services division.
24 Q. So the financial services division would
25 have copies of the contracts that we have been

Page 125

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| <p>1 talking about with the Neligan and the Garman firm; 2 is that right? 3 A. Should, yes. 4 Q. And they would -- should also have any 5 business case analysis that was done; is that right? 6 A. That's correct. 7 Q. And documentation of the required 8 approvals would also be with that; is that right? 9 A. That's right. 10 Q. Okay. So we just ask for production of 11 any documents maintained in those or any other files 12 that the NRA has relating to the retention of the 13 Garman and the Neligan firms? 14 MR. GARMAN (VIA ZOOM): So -- so, 15 Counsel, could you put your request in an email when 16 we're done? 17 MS. STERN (VIA ZOOM): Of course. 18 MR. GARMAN (VIA ZOOM): Thank you. 19 Q. Mr. Frazer, when you decide to engage 20 outside counsel for a matter, how would you describe 21 your style of overseeing -- 22 MR. GARMAN (VIA ZOOM): Objection to 23 form. 24 Q. -- those outside counsel? 25 MR. GARMAN (VIA ZOOM): Objection to</p> <p style="text-align: right;">Page 126</p> | <p>1 extension of time or something like that. 2 Q. And in -- what about court proceedings in 3 matters, do you expect them to give you notice of 4 the court proceedings? 5 A. Yes, and they routinely will do that other 6 than, you know, status -- routine status conferences 7 and things like that where nothing really rises to 8 the level of requiring oversight. 9 Q. And we talked earlier about your 10 responsibility to manage legal risks for the NRA. 11 Does that involve, also, monitoring the 12 developments in significant litigation matters? 13 A. Yes. 14 Q. And how do you do that? 15 A. I -- I get reports from counsel. If I 16 haven't heard from counsel about something and, you 17 know, I start thinking, hey, what's going on with 18 that case, I may check in. I also have a periodic 19 check on this via the drafting of the -- of the 20 legal matters report, which is a report that we give 21 to our legal affairs committee. 22 And, you know, if I -- when I'm -- when 23 I'm -- the way we compile that is that each attorney 24 individually writes up the matters that he or she is 25 dealing with, and then I write up the matters that</p> <p style="text-align: right;">Page 128</p> |
| <p>1 form. 2 Go ahead if you understand. 3 A. I'm not sure I understand the question, 4 though. 5 Q. Do you -- let's just take -- for instance, 6 you talked before about other than fairly -- I think 7 you used the word "minor" litigation matters, you 8 typically would seek outside counsel for a 9 litigation matter. 10 In that circumstance, what is your 11 expectation in terms of reporting to the NRA by the 12 outside counsel? 13 A. I expect that firms will uphold their 14 requirements under the state, you know, relevant 15 state bar ethics rules to inform us of 16 significant -- significant developments in the 17 matter, to provide thorough transparent billing, to 18 answer any questions about their billing, and, you 19 know, generally to be responsive. 20 Q. Do you require them to provide copies of 21 pleadings before they're filed to get authorization 22 to file them? 23 A. Not in all cases, but, you know, certainly 24 for -- certainly for significant pleadings. You 25 know, I'm not worried about requests for an</p> <p style="text-align: right;">Page 127</p> | <p>1 I'm personally supervising. 2 And in the course of drafting that, I'll 3 often approach firms to double-check the status, you 4 know, see if there have been any significant 5 developments in the last couple months that I may 6 not have become aware of, usually there are not. 7 And I try to bring it up to the minute before it 8 goes out to that committee. 9 Q. In what circumstance would you yourself 10 attend a court proceeding? 11 A. I would attend a court proceeding -- well 12 back when it was possible -- feasible to physically 13 attend any court proceeding, I would sometimes do 14 that if it was something significant that was going 15 on locally. And -- but it would also depend on the 16 importance of the -- of the matter. If it's a minor 17 motion, I might not worry about it. But if it was 18 something that's, you know, a key -- that's likely 19 to lead to a key development in the case, I would -- 20 I might go if possible if it's a matter that I'm 21 directly handling. 22 Q. And would you also, either yourself or 23 another attorney in the Office of General Counsel, 24 attend depositions or other testimony if -- I think 25 you said, it could be a key development in the</p> <p style="text-align: right;">Page 129</p> |

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| <p>1 matter?</p> <p>2 A. Normally we would -- you know, we would be</p> <p>3 mindful of overcrowding a room even pre-COVID and --</p> <p>4 and, you know, get -- we try to hire competent</p> <p>5 counsel and get a report back afterwards, you know,</p> <p>6 see what was going on of significance or what -- and</p> <p>7 what facts may have been learned.</p> <p>8 Q. So what is -- in order to stay abreast of</p> <p>9 the -- of the developments in the matter, what kind</p> <p>10 of report would you expect?</p> <p>11 A. Well, they'll send me the transcript when</p> <p>12 it becomes available usually.</p> <p>13 Q. And do you review the transcripts?</p> <p>14 A. I do.</p> <p>15 Q. And what about circumstances where --</p> <p>16 where there are no transcripts provided, what do you</p> <p>17 do to make sure that you're keeping abreast of the</p> <p>18 developments?</p> <p>19 A. So normally counsel will -- will report</p> <p>20 back, you know, usually by an email, sometimes a</p> <p>21 phone call, you know, Dear John, the Court heard our</p> <p>22 plea in bar today. The, you know, plea in bar</p> <p>23 was -- you know, was sustained, that kind of thing.</p> <p>24 Q. The New York Attorney General's</p> <p>25 investigation against -- involving the NRA was a</p> <p style="text-align: right;">Page 130</p> | <p>1 What's your method generally of overseeing</p> <p>2 the legal billings?</p> <p>3 A. I'll get the -- I'll get the bills when</p> <p>4 they come in, review them. If it is -- if it's a</p> <p>5 matter -- sometimes I'm reviewing bills for</p> <p>6 co-counsel or local counsel.</p> <p>7 So, for example, if it's a -- if it's a</p> <p>8 firm that has been working as local counsel with</p> <p>9 another firm, I may go to the -- to the supervising</p> <p>10 firm and ask if the charges appear reasonable.</p> <p>11 For matters where I'm directly familiar</p> <p>12 with the firm's work, I'll -- I'll review it myself</p> <p>13 and, you know, flag any questions or, you know,</p> <p>14 either send emails asking about specific items or</p> <p>15 have a phone call to -- to go through any questions.</p> <p>16 And once -- once any and all issues are</p> <p>17 resolved, sometimes an amended bill has to be</p> <p>18 issued. But a bill that -- that's suitable for</p> <p>19 approval and payment would then be forwarded to our</p> <p>20 financial services division.</p> <p>21 Q. Do you require that firms give you budgets</p> <p>22 so that you can plan ahead?</p> <p>23 A. Yes. Both at the outset of -- of a</p> <p>24 matter, I ask for some -- for a cost estimate. And</p> <p>25 sometimes depending on the size of the matter, I may</p> <p style="text-align: right;">Page 132</p> |
| <p>1 substantial matter for the NRA, wasn't it?</p> <p>2 A. Yes.</p> <p>3 Q. Did -- did you or any representative of</p> <p>4 the Office of General Counsel attend Mr. LaPierre's</p> <p>5 examination in that investigation?</p> <p>6 A. No, we didn't.</p> <p>7 Q. Did you attend Mr. Spray's examination in</p> <p>8 that investigation?</p> <p>9 A. No, we didn't.</p> <p>10 Q. Did you attend the examinations of any of</p> <p>11 the other NRA employees that were conducted in that</p> <p>12 investigation?</p> <p>13 A. No, we didn't.</p> <p>14 Q. I think you have in your declarations that</p> <p>15 we were speaking about before in connection with the</p> <p>16 retention of counsel in this matter, you indicated</p> <p>17 that one of your responsibilities to oversee the</p> <p>18 billings, review invoices, stay on top of the costs.</p> <p>19 Is that fair?</p> <p>20 MR. GARMAN (VIA ZOOM): Objection to</p> <p>21 form.</p> <p>22 But go ahead and answer.</p> <p>23 A. Yes.</p> <p>24 Q. Okay. Do you -- what's your method, just</p> <p>25 generally, not limited to the bankruptcy.</p> <p style="text-align: right;">Page 131</p> | <p>1 not just want an overall cost estimate but a</p> <p>2 breakdown by month.</p> <p>3 Also, as part of the NRA's annual budget</p> <p>4 process, I'll ask firms what their anticipated</p> <p>5 budgets for the coming -- coming year are.</p> <p>6 Q. And what happens if the firm exceeds the</p> <p>7 cost estimate?</p> <p>8 MR. GARMAN (VIA ZOOM): Objection to</p> <p>9 form.</p> <p>10 Go ahead.</p> <p>11 A. Well, I would like at it and -- and try to</p> <p>12 understand if there's a reason. In legal matters,</p> <p>13 there are always unexpected developments and</p> <p>14 sometimes it's readily apparent why the -- why the</p> <p>15 billing went higher.</p> <p>16 Q. And do you have -- do you require the</p> <p>17 firms to give you notice if their expectation is</p> <p>18 that they're -- that legal fees are going to be</p> <p>19 substantially higher than estimated because of</p> <p>20 developments or whatever other reason?</p> <p>21 A. We have done that in some cases, yes.</p> <p>22 Q. You have -- personally have had oversight</p> <p>23 of the Brewer firm's legal billings since they were</p> <p>24 first engaged in March 2018. Until recently, you</p> <p>25 had total oversight of that; is that right?</p> <p style="text-align: right;">Page 133</p> |

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| <p>1 A. That's correct.</p> <p>2 Q. And did you require that the Brewer firm</p> <p>3 provide any budgets for the matters it's handling?</p> <p>4 A. I have -- I have from time to time sought</p> <p>5 estimates or, you know, some kind of monthly</p> <p>6 projection so that I can work on developing the</p> <p>7 NRA's -- the NRA's budget, yes.</p> <p>8 Q. And were those -- were those just a matter</p> <p>9 of a report by the Brewer firm what they expected or</p> <p>10 was it a budget? Just -- maybe you could just flush</p> <p>11 that out a little bit just so I understand.</p> <p>12 A. Sure.</p> <p>13 MR. GARMAN (VIA ZOOM): Objection to</p> <p>14 form.</p> <p>15 Q. Go ahead.</p> <p>16 A. Sure. So -- so the answer is twofold. As</p> <p>17 part of the NRA's annual budget process, I need to</p> <p>18 have an idea of what my spending is going to be, you</p> <p>19 know, per month over the coming calendar year, which</p> <p>20 is our fiscal year, and so I'll ask for -- for that</p> <p>21 breakdown.</p> <p>22 And then in some cases, we have -- we</p> <p>23 actually have fee caps with the Brewer firm, and</p> <p>24 they simply won't bill professional fees beyond</p> <p>25 that -- beyond that amount.</p> <p>Page 134</p> | <p>1 A. With the exception of fees for the matters</p> <p>2 under the oversight of the special litigation</p> <p>3 committee, yes.</p> <p>4 Q. And were you aware of all the matters that</p> <p>5 they were billing the NRA for --</p> <p>6 A. Yes, I would --</p> <p>7 Q. -- at that time?</p> <p>8 A. Yes.</p> <p>9 Q. And were those fees consistent with the</p> <p>10 budgets or estimates that the Brewer firm had</p> <p>11 provided to the NRA for that period of time?</p> <p>12 A. I'm sorry, I don't recall for that period</p> <p>13 of time.</p> <p>14 Q. At any time, has the Brewer firm exceeded</p> <p>15 cost estimates or budgets?</p> <p>16 A. Sitting here today, I just can't recall</p> <p>17 any particular time frame.</p> <p>18 Q. Does anyone else at the NRA have oversight</p> <p>19 of the Brewer firm's billings?</p> <p>20 A. After the -- after the -- after the bills</p> <p>21 leave my hands and are sent to the financial</p> <p>22 services division, they are subject to review by the</p> <p>23 CFO.</p> <p>24 Q. And what kind of review do you understand</p> <p>25 that the CFO is doing?</p> <p>Page 136</p> |
| <p>1 Q. How many matters do you have with the</p> <p>2 Brewer firm where there are fee caps?</p> <p>3 MR. GARMAN (VIA ZOOM): Counsel, we'll</p> <p>4 go a little further, but we're getting pretty close</p> <p>5 to invading strategy and attorney-client privilege</p> <p>6 here.</p> <p>7 MS. STERN (VIA ZOOM): I don't --</p> <p>8 okay. I'm not asking for any substantive</p> <p>9 information; I'm just asking for the oversight of the</p> <p>10 finances.</p> <p>11 A. To my recollection, I believe there are</p> <p>12 two with fee caps and one that's entirely pro bono</p> <p>13 with no professional fees charged.</p> <p>14 Q. And the pro bono case is one that you</p> <p>15 discussed in your declaration, correct?</p> <p>16 A. Yes, I believe so.</p> <p>17 Q. And you're aware that in the schedules</p> <p>18 that were filed in the bankruptcy, they report that</p> <p>19 the Brewer firm was paid approximately \$17 million</p> <p>20 just prior to the bankruptcy.</p> <p>21 Were you overseeing the legal fees at that</p> <p>22 time?</p> <p>23 MR. GARMAN (VIA ZOOM): Objection to</p> <p>24 form.</p> <p>25 Go ahead.</p> <p>Page 135</p> | <p>1 A. Well, it depends. Since the bankruptcy</p> <p>2 situation, I haven't -- I haven't had a set of</p> <p>3 invoices go through Ms. Rowling. But, you know, I</p> <p>4 know Mr. Spray would sometimes ask me questions or I</p> <p>5 understood that he sometimes -- I understood from</p> <p>6 him that he would sometimes ask Mr. Brewer</p> <p>7 questions.</p> <p>8 Q. And what is your understanding was the</p> <p>9 nature of the information that he would be asking</p> <p>10 about?</p> <p>11 A. I don't -- I don't know that I was ever --</p> <p>12 I don't know that we ever discussed the substance of</p> <p>13 those discussions.</p> <p>14 Q. Okay. And at some point, you -- I think</p> <p>15 you referenced it, that you narrowed the scope of</p> <p>16 the legal fees -- I'm sorry, the legal billings by</p> <p>17 Brewer because of the possibility of a conflict; is</p> <p>18 that right?</p> <p>19 A. You're referring to -- to my comment about</p> <p>20 matters under the SLC?</p> <p>21 Q. That's right.</p> <p>22 A. That's right.</p> <p>23 Q. So why were those matters -- why was that</p> <p>24 responsibility delegated to the special litigation</p> <p>25 committee?</p> <p>Page 137</p> |

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| <p>1 A. Because after your office named me as an 2 individual defendant in the proceeding against the 3 NRA, it was clear to me that under the applicable 4 bar rules, I had a personal conflict, the 5 conflict -- which would be imputed to my office, so 6 no one in the OGC could review or participate in the 7 defense of that case. 8 So -- and fundamentally, that's why the 9 SLC was created, and so the SLC is overseeing the 10 litigation and, therefore, the SLC is responsible 11 for reviewing those bills. 12 Q. Do you know what level of experience the 13 members of the SLC have in overseeing litigation 14 matters? 15 MR. GARMAN (VIA ZOOM): Objection to 16 form. 17 A. Well, Mr. Cotton on the SLC is a very 18 experienced trial lawyer and litigator in Texas. So 19 he's -- he has probably 40 years of experience in -- 20 in litigation matters and understanding the -- 21 understanding billing. And prior to that, he was a 22 CPA. 23 And the SLC is also advised by board 24 counsel Wit Davis who is a former general counsel of 25 a couple of significant corporations.</p> <p style="text-align: right;">Page 138</p> | <p>1 the Brewer firm and -- and offer input there and 2 that's about it. 3 Q. Is one of your responsibilities when you 4 are asked to review things, to make sure that they 5 are accurate? 6 MR. GARMAN (VIA ZOOM): Objection to 7 form. 8 Go ahead. 9 A. Even if I wasn't asked to review if 10 something was accurate, I would probably volunteer 11 that, yes. 12 Q. But it would be important that the 13 statements that the NRA is publicly making are 14 truthful and accurate as -- certainly as to legal 15 matters that you're overseeing, correct? 16 A. That's very important, yes. 17 Q. And in connection with -- because of 18 their -- what you reported as sort of your recusal 19 from oversight aspects of the New York AG matter, do 20 you have any role in the review of the press 21 statements there? 22 A. None. 23 Q. But I believe that you testified that you 24 are not excluded from the oversight of the 25 bankruptcy matter; is that right?</p> <p style="text-align: right;">Page 140</p> |
| <p>1 Q. Does Carolyn Meadows have any prior 2 experience overseeing litigation matters? 3 MR. GARMAN (VIA ZOOM): Objection to 4 form. 5 Go ahead. 6 A. I don't know. 7 Q. And what about Mr. Lee? 8 MR. GARMAN (VIA ZOOM): Objection to 9 form. 10 A. I don't know. 11 Q. Do you have any role in reviewing public 12 statements that the NRA makes concerning legal 13 matters? 14 A. I do. 15 Q. What is your role? 16 A. Depends on the -- it depends on the 17 matter. Sometimes -- it depends on the matter and 18 it depends on who is making the statement. I may be 19 approached -- you know, if there's a significant 20 decision, I may be approached by Andrew -- Andrew 21 Arulanandam, that's our public affairs director -- 22 Spell it for the court reporter, 23 A-r-u-l-a-n-a-n-d-a-m. 24 -- and ask -- and ask for input. I may -- 25 excuse me. I may receive something directly from</p> <p style="text-align: right;">Page 139</p> | <p>1 A. That's right. 2 Q. And did you review the statements that -- 3 that have been made to the press concerning the 4 bankruptcy matter? 5 MR. GARMAN (VIA ZOOM): Objection to 6 form. 7 A. I don't think I have reviewed every 8 statement that has been made. 9 And -- and just to be clear, my comment 10 earlier about -- about reviewing things, I was 11 talking about the process when I'm asked to review. 12 I can't speak to the process when I'm not asked to 13 review something. 14 Q. Do you have an expectation that the 15 communication staff would give you the opportunity 16 to review something before it's issued to the press 17 if it concerns a major legal matter involving the 18 NRA? 19 A. Not necessarily. If they're work -- if 20 they're already working with -- with counsel, for 21 example, and, you know, we retain trusted people and 22 rely on them to make accurate statements. 23 Q. So you would delegate that authority over 24 the public statements to the Brewer firm? 25 MR. GARMAN (VIA ZOOM): Objection to</p> <p style="text-align: right;">Page 141</p> |

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| <p>1 form.</p> <p>2 A. No, that's not what I said. If you're</p> <p>3 retaining a trusted firm, they would always work</p> <p>4 with -- with inside staff as far as I know.</p> <p>5 Q. And my question is: Is the Brewer firm a</p> <p>6 firm that you trust that you would not feel the need</p> <p>7 to review the -- review statements and that you</p> <p>8 would delegate that authority to them?</p> <p>9 MR. GARMAN (VIA ZOOM): Objection to</p> <p>10 form.</p> <p>11 A. I -- I have not delegated authority.</p> <p>12 However, I think that -- I have found their</p> <p>13 statements about the matters within the scope of</p> <p>14 their engagement to be accurate.</p> <p>15 Q. And is that true with respect to the</p> <p>16 bankruptcy matter?</p> <p>17 A. Yes.</p> <p>18 Q. Before the bankruptcy petition was filed,</p> <p>19 were you aware of any issues the NRA was having with</p> <p>20 meeting its financial obligations?</p> <p>21 MR. GARMAN (VIA ZOOM): Objection to</p> <p>22 form.</p> <p>23 Could you -- Counsel, time frame might</p> <p>24 help on this one.</p> <p>25 Q. Within the year before the NRA filed for</p> <p style="text-align: right;">Page 142</p> | <p>1 A. Referring to -- I think you're referring</p> <p>2 to my 30(b)(6) testimony. The -- we're referring to</p> <p>3 all of the litigation that -- that can come under</p> <p>4 the purview of the bankruptcy court.</p> <p>5 Q. And what are those matters?</p> <p>6 A. So --</p> <p>7 MR. GARMAN (VIA ZOOM): Objection to</p> <p>8 the extent this calls for a legal conclusion.</p> <p>9 THE WITNESS (VIA ZOOM): Right.</p> <p>10 Right.</p> <p>11 A. Yeah, so those matters include -- you</p> <p>12 know, principally includes everything that has been</p> <p>13 stayed as a result of the filing.</p> <p>14 Q. And so that doesn't include the lawsuit by</p> <p>15 the New York Attorney General's office, correct?</p> <p>16 MR. GARMAN (VIA ZOOM): Objection --</p> <p>17 objection; that calls for a legal conclusion.</p> <p>18 A. And I think that -- I also can't say that</p> <p>19 I have looked at that very deeply because of my role</p> <p>20 as a -- as a defendant. I'm not involved in</p> <p>21 discussions of that matter.</p> <p>22 Q. Well, I'm asking you sitting here today</p> <p>23 which specific lawsuits that are pending are part of</p> <p>24 what the NRA is seeking to streamline?</p> <p>25 MR. GARMAN (VIA ZOOM): Objection. To</p> <p style="text-align: right;">Page 144</p> |
| <p>1 bankruptcy.</p> <p>2 A. So within the year before we filed for</p> <p>3 bankruptcy, you're talking about 2020. And there</p> <p>4 was a time in the immediate beginning of the COVID</p> <p>5 crisis when -- when there was concern about -- about</p> <p>6 the impact of COVID on the NRA. You know, like</p> <p>7 every other organization in the country, we weren't</p> <p>8 able to have in-person fundraising events, and there</p> <p>9 were a lot of operational issues involving personnel</p> <p>10 and so on. So there was a concern in that period of</p> <p>11 time, yes.</p> <p>12 Q. And were those concerns reasons why the</p> <p>13 NRA has filed for bankruptcy?</p> <p>14 MR. GARMAN (VIA ZOOM): Objection to</p> <p>15 form.</p> <p>16 A. No.</p> <p>17 Q. And the NRA stated that it's in -- it's in</p> <p>18 strong financial state currently; is that correct?</p> <p>19 A. Yes.</p> <p>20 Q. You testified earlier in this matter that</p> <p>21 one of the reasons that the NRA was filing for</p> <p>22 bankruptcy was to streamline its litigation.</p> <p>23 What litigation are you referring to?</p> <p>24 MR. GARMAN (VIA ZOOM): Objection to</p> <p>25 form.</p> <p style="text-align: right;">Page 143</p> | <p>1 the extent you're asking this witness the scope of</p> <p>2 the automatic stay, that's calling for a legal --</p> <p>3 MS. STERN (VIA ZOOM): I'm not asking</p> <p>4 him the scope of the automatic stay. I'm asking him</p> <p>5 as the general counsel of the NRA who has indicated</p> <p>6 that the purpose -- one of the purposes of the</p> <p>7 bankruptcy filing is to streamline litigation to</p> <p>8 identify what existing litigation --</p> <p>9 MR. GARMAN (VIA ZOOM): So I'm not</p> <p>10 going to --</p> <p>11 MS. STERN (VIA ZOOM): -- it's hoping</p> <p>12 to streamline.</p> <p>13 MR. GARMAN (VIA ZOOM): I'm not going</p> <p>14 to prevent him from answering. I'm not going to</p> <p>15 prevent him from answering, but the -- objection,</p> <p>16 that calls for a legal conclusion, it calls for his</p> <p>17 work product as -- as the scope of general counsel.</p> <p>18 But -- and he testified that he can't be involved in</p> <p>19 certain bankruptcy decisions.</p> <p>20 But go ahead and answer again.</p> <p>21 A. So off the top of my head sitting here</p> <p>22 without any of our schedules of litigation claims,</p> <p>23 et cetera, we have the Ackerman litigation, the</p> <p>24 Under Wild Skies litigation, the Dell'Aquila</p> <p>25 litigation. I'm sure there are others but they're</p> <p style="text-align: right;">Page 145</p> |

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| <p>1 not coming immediately to mind. 2 Q. So that's three -- is that three matters? 3 A. That's -- that's three for starters that 4 are coming to -- coming to mind immediately. 5 Q. And of all of the, you know -- the area of 6 legal affairs is -- is your domain at the NRA; isn't 7 that right? 8 MR. FLEMING (VIA ZOOM): Object to 9 form. 10 A. Other than the -- so other than -- other 11 than Second Amendment advocacy, yes. 12 Q. So your -- was your input sought in this 13 idea of using the bankruptcy process to streamline 14 litigation? 15 MR. GARMAN (VIA ZOOM): Objection to 16 form. 17 And I'm not -- I don't think you can 18 answer that without invading the attorney-client 19 privilege. 20 A. Trying to think about whether I can answer 21 it. 22 MR. GARMAN (VIA ZOOM): I instruct you 23 not to answer your discussions with counsel over our 24 strategy in bankruptcy. 25 A. So I don't think I can answer it, no.</p> <p style="text-align: right;">Page 146</p> | <p>1 matter are aware of the -- let me ask it a different 2 way. 3 Are you aware in -- as an individual 4 defendant in the matter of the schedule in that 5 matter? 6 MR. GARMAN (VIA ZOOM): Objection to 7 form. 8 I don't know that I understood it, but 9 if you did, go ahead. 10 MR. FLEMING (VIA ZOOM): Emily, are 11 you talking about the discovery schedule? What 12 schedule are you -- 13 MS. STERN (VIA ZOOM): That's right, 14 discovery schedule. 15 MR. FLEMING (VIA ZOOM): Okay. 16 A. Sitting here right now, no, I can't -- I 17 couldn't tell you where we are on deadlines, for 18 example. 19 Q. Are you aware of the scope of the 20 discovery that has been ordered in the New York 21 action? 22 MR. FLEMING (VIA ZOOM): You know, I'm 23 going to lodge an objection to this because I don't 24 really understand how it pertains to the issues that 25 we're here for.</p> <p style="text-align: right;">Page 148</p> |
| <p>1 Q. Can you explain how the bankruptcy would 2 serve to streamline the -- the New York Attorney 3 General's litigation and the effect of that 4 litigation on the NRA? 5 MR. GARMAN (VIA ZOOM): So I object. 6 That calls for a legal conclusion of our general 7 counsel and invades conversations we have had. 8 A. And, therefore, I'll decline to answer. 9 Q. Are you aware of the current status of the 10 proceedings in the New York AG's enforcement action? 11 A. Yes, I am. 12 Q. And what is your understanding is the 13 current status? 14 A. The -- all of the defendants have -- have 15 filed answers, and we're in the early stages of 16 discovery. 17 Q. And I think that you said -- are you 18 familiar with who is authorizing decisions with 19 respect to that litigation on behalf of the NRA? 20 MR. GARMAN (VIA ZOOM): Objection to 21 foundation. 22 Go ahead. 23 A. The decisions are being authorized by the 24 special litigation committee. 25 Q. And you as an individual defendant in that</p> <p style="text-align: right;">Page 147</p> | <p>1 MS. STERN (VIA ZOOM): That's not an 2 appropriate objection, Mr. Fleming. 3 MR. FLEMING (VIA ZOOM): Go ahead. 4 MS. STERN (VIA ZOOM): Object to form. 5 A. I'm sorry, can you repeat the question? 6 Q. My question is that you're aware of the 7 scope of discovery that has been discussed in the 8 New York State action in particular before the Court 9 on March 9th? 10 MR. FLEMING (VIA ZOOM): Form 11 objection. 12 A. I'm sorry, I'm afraid I'm not. 13 Q. Has the NRA done any kind of analysis of 14 the potential legal costs of the bankruptcy process? 15 Actually, let me restate that. 16 Has the NRA done any kind of analysis of 17 the costs they expect to incur in the bankruptcy 18 process? 19 MR. GARMAN (VIA ZOOM): So I'm going 20 to object to the extent this invades our discussions 21 over the plan process. But if you have knowledge 22 independent of that, you can answer. 23 A. So my knowledge would only be of the -- at 24 this point would only be of the law firm budgets 25 that we previously discussed.</p> <p style="text-align: right;">Page 149</p> |

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| <p>1 Q. And are there other individuals at the NRA 2 who are involved in analysis of the bankruptcy costs 3 in other respects? 4 A. I assume so. 5 Q. Do you know? 6 MR. GARMAN (VIA ZOOM): Don't 7 speculate. Just let her know if you know yes or no. 8 A. Okay. I don't know. 9 Q. Do you know if the NRA has done any kind 10 of analysis of the costs of moving its headquarters? 11 A. Do I know -- I know that we have -- I know 12 that we're starting to embark on that. 13 Q. And who is responsible for that? 14 A. We're working -- we are -- I don't know if 15 I can say this. 16 MR. GARMAN (VIA ZOOM): So to the 17 extent that -- 18 THE WITNESS (VIA ZOOM): Actually, I 19 think I answered my own question. 20 MR. GARMAN (VIA ZOOM): Yeah, I don't 21 think you can either. 22 Well, Counsel, we can either table 23 this one and come back to it or you can allow us to 24 confer, whichever you prefer. 25 MS. STERN (VIA ZOOM): Let's put a pin</p> <p style="text-align: right;">Page 150</p> | <p>1 Do you know what those incentives are? 2 MR. GARMAN (VIA ZOOM): Objection to 3 form. 4 Go ahead. 5 A. So my understanding is -- is fairly 6 general here, and it's that Texas has a generous 7 incentive program for, you know, organizations 8 relocating there. 9 Q. What does -- what does the incentive 10 program entail? 11 A. Yeah, I don't recall the -- I don't recall 12 the name of the -- of the fund, Texas Enterprise 13 Fund or something like that, which offers, you know, 14 loans that can, under some circumstances, be 15 converted into outright grants. 16 Q. And has any other state, to your 17 knowledge, offered any incentives to the NRA? 18 A. I don't know. 19 Q. Are you aware of any discussions with the 20 Texas Attorney General's office about the process of 21 incorporating in Texas? 22 A. I don't know. 23 Q. You don't know if you're aware of any? 24 A. I'm sorry. I misunderstood. I'm not 25 aware of any discussions with the Attorney General's</p> <p style="text-align: right;">Page 152</p> |
| <p>1 in it and keep moving. 2 Q. Mr. LaPierre testified at the 341 meeting 3 that various states have reached out to the NRA to 4 invite the organization to move to their respective 5 states. 6 Do you know what states he's talking 7 about? 8 A. I know that the Oklahoma legislature is 9 actively trying to recruit us. I think they had a 10 resolution passed in one of the houses of that 11 legislature recently. And I believe -- I don't know 12 others for sure. 13 Q. Have you had any conversations with 14 Mr. LaPierre on that subject? 15 MR. GARMAN (VIA ZOOM): Objection. 16 Don't invade the attorney-client 17 privilege, but you probably can answer yes or no. 18 A. No, I haven't. 19 Q. So other than Oklahoma, you can't identify 20 any other state; is that right? 21 A. Not without invading attorney-client 22 privilege. 23 Q. And Mr. LaPierre also testified that Texas 24 has offered the NRA incentives to move to the state 25 of Texas.</p> <p style="text-align: right;">Page 151</p> | <p>1 office. 2 Q. When the NRA initially -- I think we were 3 looking at -- if you want to, we can bring it up -- 4 the email -- January 15th email that you identified 5 as notice to the board of the filing of the 6 bankruptcy. 7 Do you recall that it made reference to 8 bringing in Marschall Smith as a chief restructuring 9 officer? 10 A. Yes, I do remember that. 11 Q. Mr. Smith did not take that position. Can 12 you explain why? 13 A. My understanding is that Mr. Smith had 14 some family health concerns that prohibited from -- 15 unexpectedly prohibited him from taking on the 16 engagement. 17 Q. Were you involved in the discussion of 18 adding a chief restructuring officer to the NRA? 19 MR. GARMAN (VIA ZOOM): So I object 20 and instruct you not to answer to the extent your 21 participation was as counsel in providing advice. 22 A. I wasn't involved in any discussion of 23 that. 24 Q. And when did you learn that Mr. Smith was 25 not going to take on that role?</p> <p style="text-align: right;">Page 153</p> |

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| <p>1 A. I don't recall exactly. It was shortly 2 after the filing. 3 Q. And does the NRA intend to propose someone 4 else to serve as a chief restructuring officer? 5 MR. GARMAN (VIA ZOOM): I object that 6 you cannot answer that without invading our strategy 7 and attorney-client privilege. It's also work 8 product. 9 A. I agree with that so I'll decline to 10 answer. 11 Q. Did the NRA inform the board that 12 Mr. Smith was not taking on the role of chief 13 restructuring officer? 14 A. No, not to my knowledge, you know, or at 15 least not to the entire board. 16 Q. Were certain members of the board notified 17 of that development? 18 A. I would only -- the reason I say it that 19 way is that I'm only aware of stuff that goes out to 20 the entire board. If someone had discussions with 21 individual board members, I wouldn't necessarily 22 know about it. 23 Q. You testified previously -- I believe it 24 was at the 341, but it could have been at the 25 30(b)(6) -- that Sea Girt, LLC, the Texas entity, is</p> <p style="text-align: right;">Page 154</p> | <p>1 A. Not to my knowledge. 2 Q. And who would be responsible for that? 3 A. Presumably whatever responsible officers 4 of the NRA would be needed to execute, you know, any 5 documents as well as with the advice of counsel. 6 Q. So that would be -- would that go through 7 the Office of General Counsel? 8 MR. GARMAN (VIA ZOOM): Objection to 9 the extent it calls for speculation. 10 But go ahead if it's -- if you can 11 answer. 12 A. Possibly. 13 Q. Who authorized the NRA's retention of a 14 real estate broker to begin looking for space for 15 new headquarters? 16 MR. GARMAN (VIA ZOOM): Counsel, I 17 object to the form of the question. I'm not trying 18 to be tricky here. The Court ultimately approved it, 19 so you can probably reform that question to one I 20 would let him answer. 21 Q. Okay. Who at the NRA was involved in the 22 decision to seek permission from the Court to retain 23 a real estate broker for the purpose of looking for 24 a new headquarters for the NRA? 25 A. Speaking only as to the individuals that I</p> <p style="text-align: right;">Page 156</p> |
| <p>1 a for-profit that -- is it your understanding that 2 it can be converted into a not-for-profit? 3 MR. GARMAN (VIA ZOOM): Objection to 4 form. Objection to the extent it calls for a legal 5 conclusion. 6 Go ahead. 7 A. That's my -- that is my understanding. 8 Q. And what would it be converted into, what 9 corporate form? 10 MR. GARMAN (VIA ZOOM): I'm sorry, 11 Counsel, I don't understand, for what -- what do you 12 mean what would it be converted into. 13 Q. Well, it's an -- it's an LLC right now; is 14 that right? 15 A. That's correct. 16 Q. And it would be -- what -- what is the 17 intention, to convert it into what? 18 MR. GARMAN (VIA ZOOM): Objection. 19 To the extent you can only answer that 20 by way of our communications over the plan process, I 21 instruct you not to. 22 A. And I'll respectfully decline on the basis 23 of privilege. 24 Q. Has the NRA taken any steps to convert the 25 entity into a not-for-profit entity?</p> <p style="text-align: right;">Page 155</p> | <p>1 have direct knowledge of, I was involved, 2 Ms. Rowling was involved. I'm afraid I can't recall 3 who signed the engagement letter with the broker, 4 but Ms. Rowling and I know were -- discussed it. 5 Q. Was there any consultation with anyone on 6 the board? 7 A. Not by me. 8 Q. Was there consultation by anyone else? 9 A. I don't know. 10 Q. Would the move -- physical move of the NRA 11 operations require board approval? 12 MR. GARMAN (VIA ZOOM): Objection to 13 the extent it calls for a legal conclusion. 14 Go ahead. 15 A. Well, under New York law, purchase of -- 16 purchase or leasing of real estate requires board 17 approval, so I think the answer would be yes. 18 Q. So is there anyone in -- at the board 19 level that's involved in discussions concerning 20 moving the operations of the NRA? 21 A. Yes. 22 Q. Who is that? 23 A. I know Mr. Cotton has been involved in 24 some discussions of that. 25 Q. Anyone else?</p> <p style="text-align: right;">Page 157</p> |

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| <p>1 A. I can't -- I can't -- I don't have any 2 other names, I'm afraid. 3 Q. Okay. Mr. LaPierre testified at the 341 4 that at some point in time, the NRA hired law firm 5 of Morgan Lewis to do a compliance review of the 6 organization; is that accurate? 7 MR. GARMAN (VIA ZOOM): Objection to 8 form. 9 Go ahead. 10 A. Yes. 11 Q. And when did that occur? 12 A. In 2017. 13 Q. What was your involvement? 14 A. I interviewed Morgan Lewis and another 15 firm and -- trying to be helpful and not -- 16 ultimately we decided to retain Morgan Lewis. 17 Q. Who was the other firm? 18 A. Caplin & Drysdale. 19 THE WITNESS (VIA ZOOM): For the 20 reporter, that's C-a-p-l-i-n and Drysdale is 21 D-r-y-s-d-a-l-e. 22 Q. And who specifically was involved from 23 Morgan Lewis? 24 A. Alex Reid, Alexander Reid, R-e-i-d. 25 Q. Is he a partner?</p> <p style="text-align: right;">Page 158</p> | <p>1 MS. STERN (VIA ZOOM): -- what that 2 engagement was. 3 MR. GARMAN (VIA ZOOM): We'll go a 4 little further but you're asking one of 5 Mr. LaPierre's lawyers to talk about conversations 6 with other of Mr. LaPierre's lawyers, and -- and the 7 privilege is getting fairly compounded here. But we 8 will -- we'll go ahead and -- 9 THE WITNESS (VIA ZOOM): Maybe we can 10 confer -- 11 MR. GARMAN (VIA ZOOM): Yeah. 12 THE WITNESS (VIA ZOOM): -- on -- on 13 this one. 14 MR. GARMAN (VIA ZOOM): Yeah. 15 MS. STERN (VIA ZOOM): Okay. Before 16 we -- before we go out in the hallway, I think my 17 question was -- and -- and I can try to restate the 18 question if it was too broad, but was the scope of 19 the -- of the work that was done. 20 THE WITNESS (VIA ZOOM): Okay. 21 Understood, but -- understood, but I would like to 22 confer. 23 MS. STERN (VIA ZOOM): Okay. 24 MR. GARMAN (VIA ZOOM): As we have all 25 day, we're trying to be constructive in -- in the</p> <p style="text-align: right;">Page 160</p> |
| <p>1 A. Yes. 2 Q. Were there any other partners involved? 3 A. I don't recall -- I don't recall meeting 4 with any other partners for that initial project. 5 Q. And what was the scope of that initial 6 project, the substantive scope? 7 MR. GARMAN (VIA ZOOM): Counsel, help 8 me out here because you're asking a general counsel 9 about his engagement and his conversations with his 10 lawyer. I sure feel like this is the wrong witness 11 when the -- when the predicate was someone else's 12 testimony. 13 MS. STERN (VIA ZOOM): Mr. LaPierre -- 14 okay. Mr. LaPierre has said that the NRA has done 15 all manner of compliance reviews and pointed to the 16 work that Morgan Lewis did, and so I would like to 17 understand what they did. If the NRA is relying on 18 that work as demonstration of its compliance and its 19 commitment to being compliant organization, I'm 20 asking this witness -- 21 MR. GARMAN (VIA ZOOM): Well -- 22 MS. STERN (VIA ZOOM): -- to 23 explain -- 24 MR. GARMAN (VIA ZOOM): We'll go a 25 little further, but --</p> <p style="text-align: right;">Page 159</p> | <p>1 process. 2 MS. STERN (VIA ZOOM): I appreciate 3 that. I just know that there's a lot of lawyers on 4 this call that are wanting this to get moving 5 forward. So... 6 MR. GARMAN (VIA ZOOM): Understood. 7 You have some here, too. 8 THE VIDEOGRAPHER (VIA ZOOM): Going 9 off the record. The time is 15:22 p.m. 10 (Recess 3:22 p.m. to 3:28 p.m.) 11 THE VIDEOGRAPHER (VIA ZOOM): Going 12 back on the record. The time is 15:28 p.m. 13 Q. Mr. Frazer, you had the opportunity to 14 confer with your counsel, and who was that? 15 A. It was Mr. Garman and Ms. Eisenberg. 16 Q. Okay. 17 MS. STERN (VIA ZOOM): And can we have 18 the last question read back, please. 19 THE REPORTER (VIA ZOOM): One moment. 20 (Record read.) 21 MR. GARMAN (VIA ZOOM): I'm going to 22 object here. I'll give you a speaking objection 23 because it might be helpful, but if you don't mind so 24 I can just make an objection. 25 But the scope of the services</p> <p style="text-align: right;">Page 161</p> |

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| <p>1 certainly, as Mr. LaPierre testified, included 2 compliance. However, the scope of those services 3 are -- and compliance is just irrevocably intertwined 4 with your action in New York, and I'm not going to 5 permit this lawyer of the Association to talk about 6 his communications with other lawyers of the 7 Association as they relate to -- to that pending 8 action.</p> <p>9 And so -- so Mr. Frazer will confirm 10 that compliance was within the scope of their 11 services but we won't be answering questions deeper 12 than that.</p> <p>13 MS. STERN (VIA ZOOM): Okay. I'm 14 going to ask a couple questions, see what -- see 15 where we go with that.</p> <p>16 Q. Mr. Frazer, what is your understanding was 17 the reason for the NRA's retention of Morgan Lewis 18 to do the compliance work that Mr. LaPierre 19 referenced at the 341?</p> <p>20 MR. GARMAN (VIA ZOOM): I'm going to 21 object. I don't -- I don't think you can answer that 22 without invading the attorney-client privilege. I'll 23 leave it to you to decide if you can. But I don't 24 think you can -- I don't think you could -- I don't 25 think you have independent facts other than your role</p> <p style="text-align: right;">Page 162</p> | <p>1 My objection is do not use a speaking 2 objection to inform him of what he may now think is a 3 problem with the question. Thank you.</p> <p>4 MR. GARMAN (VIA ZOOM): So -- so, one, 5 I take great offense to you accusing me of bad faith. 6 And two, at many points in today's conversation I 7 have said I will make purely speaking objections, but 8 I have been attempting to be helpful and candidly 9 permit things that arguably fall within the 10 attorney-client privilege to be reformed. And so I 11 will simply say, I instruct the witness not to answer 12 because that invades the attorney-client privilege. 13 We'll tighten it up from here.</p> <p>14 MR. GRUBER (VIA ZOOM): Thank you.</p> <p>15 MS. STERN (VIA ZOOM): Sorry, I need 16 one second.</p> <p>17 Q. Mr. Frazer, do you agree with 18 Mr. LaPierre's characterization that Morgan Lewis 19 was retained to do a compliance review?</p> <p>20 A. Yes, I do.</p> <p>21 Q. And what did that compliance review 22 entail?</p> <p>23 MR. GARMAN (VIA ZOOM): Objection; 24 that's work product and subject to the 25 attorney-client privilege.</p> <p style="text-align: right;">Page 164</p> |
| <p>1 as counsel to the NRA and as counsel to Mr. LaPierre 2 to answer that.</p> <p>3 MR. GRUBER (VIA ZOOM): Okay. I'm 4 going to object to the speaking objections you're 5 making and informing the witness.</p> <p>6 MR. GARMAN (VIA ZOOM): I'll just -- 7 I'll just -- I'll just instruct him not to answer.</p> <p>8 MS. STERN (VIA ZOOM): Join those 9 objections.</p> <p>10 MR. GARMAN (VIA ZOOM): I have been 11 trying to be helpful today.</p> <p>12 MR. GRUBER (VIA ZOOM): If you would 13 just instruct him not to answer in bad faith or what, 14 just...</p> <p>15 MR. GARMAN (VIA ZOOM): Are you 16 serious? You just accused me of bad faith?</p> <p>17 MR. GRUBER (VIA ZOOM): I said is that 18 what you're suggesting. And -- and, yeah, I'm asking 19 is that what you're suggesting if the --</p> <p>20 MR. GARMAN (VIA ZOOM): Counsel, what 21 are you saying to me?</p> <p>22 MR. GRUBER (VIA ZOOM): The objections 23 are way overbroad, but I do object -- and, look, 24 it's -- I just made an objection. I was ready for 25 you to move on.</p> <p style="text-align: right;">Page 163</p> | <p>1 I instruct you not to answer.</p> <p>2 Q. Did they -- did the compliance review 3 entail interviewing any individuals at the NRA, yes 4 or no?</p> <p>5 MR. GARMAN (VIA ZOOM): Go ahead.</p> <p>6 A. Yes.</p> <p>7 Q. Will you identify what individuals were 8 interviewed at the NRA --</p> <p>9 MR. GARMAN (VIA ZOOM): No, we won't.</p> <p>10 Q. -- without describing the substance of the 11 interview?</p> <p>12 MR. GARMAN (VIA ZOOM): No, we won't.</p> <p>13 Q. Did the compliance review that Morgan 14 Lewis firm did entail the review of any of the NRA's 15 policies or procedures?</p> <p>16 MR. GARMAN (VIA ZOOM): Objection.</p> <p>17 Mr. Frazer sits here today as a lawyer involved in 18 the internal legal --</p> <p>19 MS. STERN (VIA ZOOM): We just -- we 20 just had a --</p> <p>21 MR. GARMAN (VIA ZOOM): Okay.</p> <p>22 MS. STERN (VIA ZOOM): -- conversation 23 about not doing speaking objections.</p> <p>24 MR. GARMAN (VIA ZOOM): I'm going to 25 instruct him not to answer then.</p> <p style="text-align: right;">Page 165</p> |

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| <p>1 MS. STERN (VIA ZOOM): So if you are 2 going to instruct him not to answer on the grounds of 3 privilege, that's fine, but I'm entitled to make a 4 record. 5 MR. GARMAN (VIA ZOOM): Work product. 6 That's fine. It's work product. 7 Don't answer. 8 Q. Did Morgan Lewis's compliance review 9 result in any kind of report? 10 MR. GARMAN (VIA ZOOM): Objection. 11 You can't answer that question; it's 12 privileged. 13 Q. Were any recommendations by the -- this is 14 a yes or no question -- any recommendations by the 15 Morgan Lewis firm conveyed to senior management at 16 the NRA? 17 MR. GARMAN (VIA ZOOM): Objection. 18 That's privileged. He won't answer. 19 Q. Was the board of directors aware of the 20 engagement of Morgan Lewis to do compliance work, 21 yes or no? 22 A. The -- we did a business case analysis and 23 sign-off sheet, so the senior board officers were 24 certainly aware. 25 Q. And just yes or no, did the business case</p> <p style="text-align: right;">Page 166</p> | <p>1 A. Other law firms in general or on this type 2 of matter? 3 Q. I'm sorry. No. To address matters 4 concerning compliance with laws governing charities 5 and not-for-profits? 6 A. Wit Davis is NRA board counsel and former 7 NRA general counsel, Bob Dowlut, was on contract for 8 a few years including for such matters. 9 Q. And have you engaged any counsel or 10 consultants to advise the NRA on issues relating to 11 the sufficiency of its internal controls? 12 A. Yes. 13 Q. Can you identify who? 14 MR. GARMAN (VIA ZOOM): I think you 15 can identify who. 16 A. Okay. So to my recollection, Kenrich 17 Group and Charles River Associates. 18 Q. Did you say Kenrich Group? 19 A. Yes. K-e-n-r-i-c-h. I think they also 20 did business or do business as HKA Group or 21 something similar. I can't -- one of them is the 22 old name; the other is the new name. I can't 23 remember which is which. 24 Q. During what time period were they -- was 25 the Kenrich Group under whatever name they were</p> <p style="text-align: right;">Page 168</p> |
| <p>1 analysis indicate that they were being engaged to do 2 a compliance review? 3 A. It has been quite some time since I 4 reviewed it. I can't tell you exactly what it said. 5 Q. Did the NRA take any action with respect 6 to its compliance policies, procedures, or practices 7 in reliance on the Morgan Lewis engagement? 8 MR. GARMAN (VIA ZOOM): Object to 9 form. 10 A. Yes. 11 Q. And what were those actions? 12 MR. GARMAN (VIA ZOOM): Objection. 13 The content is privileged. He won't answer that. 14 Q. Other than Morgan Lewis, I think you have 15 identified a K&L Gates and Peter Flocos and the 16 Brewer firm as having provided advice to the NRA 17 concerning compliance and charities laws matters; is 18 that correct? 19 MR. GARMAN (VIA ZOOM): Objection to 20 the form of the question. 21 A. That's correct. 22 Q. Are there any other firms -- law firms or 23 other professional consultants that you have -- that 24 the NRA has engaged during your tenure as a general 25 counsel?</p> <p style="text-align: right;">Page 167</p> | <p>1 using engaged? 2 MR. GARMAN (VIA ZOOM): To -- I'm 3 going to give a speaking objection. 4 To the extent these are -- these are 5 engagements related to ongoing litigation, I'm 6 instructing you not to answer. 7 A. So I hate to do this. I have a minor 8 question, and I think I need to confer. 9 Q. Can I ask -- okay. Let me just try to ask 10 a question or two. 11 Was either the Kenrich Group or the 12 Charles River Group engaged by the NRA in 13 circumstances that were not related to litigation or 14 potential litigation? 15 A. No. 16 Q. So to clarify -- to -- to clear up my bad 17 question, so both Kenrich Group and the Charles 18 River group were engaged in connection with 19 litigation or potential litigation; is that right? 20 MR. GARMAN (VIA ZOOM): Objection to 21 form. 22 A. Yes. 23 Q. Okay. So I still have my question about 24 the time frame as to when each was engaged, and I 25 think -- can you answer that question?</p> <p style="text-align: right;">Page 169</p> |

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| <p>1 A. So I think I can answer that now. Charles 2 River would have been in 2020. And I'm afraid I 3 don't recall the time frame for Kenrich/HKA. 4 Q. Was it prior to 2017? 5 A. No. 6 Q. Was it prior to receipt of the document 7 preservation notice from the New York Attorney 8 General's office? 9 A. I don't know. 10 Q. Did you engage them? 11 A. Yes. 12 Q. Did you prepare a business case analysis 13 for their engagement? 14 A. I believe so, yes. 15 Q. And obtain the necessary contract 16 approvals? 17 A. Yes. 18 Q. So any documents that related to the 19 retention of the Kenrich Group would be maintained 20 in the financial services group; is that right? 21 A. I mean, financial services and/or my 22 office. Everything goes to them, but of course, I 23 keep copies. 24 Q. Okay. And the same with respect to the 25 Charles River group, there would be a business case</p> <p style="text-align: right;">Page 170</p> | <p>1 Q. And how -- how were these seminars 2 conducted? Can you just describe location, how long 3 they were, who attended? 4 MR. GARMAN (VIA ZOOM): Objection to 5 form of the question. 6 Go ahead. 7 A. Sure. We held them in an auditorium in 8 the -- in the basement of NRA headquarters and 9 presented a PowerPoint presentation for 10 approximately -- approximately an hour and a quarter 11 each time. I think the first time was a little bit 12 longer because we had more questions. The 13 subsequent presentations were refresher 14 presentations, so some people who had had questions 15 the first time had -- you know, their questions had 16 been -- they received answers and they didn't have 17 anything new to ask. 18 And I don't recall off the top of my head 19 how many people may have attended, but it was -- it 20 was a pretty full room of, you know, 50 or so, 40, 21 50 or so people. 22 Q. And do you take attendance at these 23 programs? 24 A. We did. We had -- we had sign-in sheets 25 to record who attended.</p> <p style="text-align: right;">Page 172</p> |
| <p>1 analysis and a contract approval? 2 A. Yes. 3 Q. You personally have provided compliance 4 training for -- at the NRA, haven't you? 5 A. Yes. 6 Q. And when did you first do that? 7 A. July -- well, ongoing as -- as people 8 would ask questions. I regard that as a -- as a 9 form of assistance. But then on a systematic basis 10 since July 2018. 11 Q. And what is the -- the system of 12 compliance training that currently exists at the 13 NRA? 14 A. Yeah. It has been a series of -- it has 15 been a series of seminars for individuals with 16 management or contracting authority and sometimes 17 for their support staff who would be the ones 18 processing or routing documents or contracts. And 19 the -- we conducted the first of them in July 2018; 20 second one, I believe October 2018; third one, I 21 think February 2019. 22 We have been hoping to have another, but 23 COVID makes it -- COVID and other ongoing matters, 24 obviously, make it challenging to gather people and 25 have the time to do this.</p> <p style="text-align: right;">Page 171</p> | <p>1 Q. And is -- are -- is there a category of 2 employees that are required to attend these 3 trainings? 4 A. Yeah. I think we -- I think we sent it -- 5 I think we initially started with inviting division 6 directors, financial staff, the entire -- the entire 7 OGC staff. You know, essentially the people who 8 would be making business decisions to engage in 9 contracts or who might be in a position to, you 10 know, have an above-average chance of running into 11 potential conflict of interest issues. 12 And then we -- and then actually there 13 turned out to be quite a bit of interest -- interest 14 in it. And so after the invitation went out, 15 managers started asking, hey, can I bring my support 16 staff; you know, my administrative assistant is the 17 one who handles these documents, and it would be 18 helpful for -- for him to know and that kind of 19 thing. So we expanded the scope somewhat and then 20 conducted the training. 21 Q. Do you provide any training in compliance 22 to the senior executives? 23 A. Well, this was the senior executives. It 24 included the in-house officers, you know, executive 25 directors, managing directors and so forth.</p> <p style="text-align: right;">Page 173</p> |

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| <p>1 Q. Did Mr. LaPierre attend the seminar?</p> <p>2 A. Not to my recollection.</p> <p>3 Q. So of the three seminars you have done,</p> <p>4 Mr. LaPierre hasn't attended any of them --</p> <p>5 MR. GARMAN (VIA ZOOM): Objection;</p> <p>6 form of the question.</p> <p>7 Q. -- is that right?</p> <p>8 A. No, I -- I don't recall him attending.</p> <p>9 Q. And was Millie Hallow an attendee at any</p> <p>10 of these compliance seminars?</p> <p>11 A. Yes, she was.</p> <p>12 Q. Which one did she attend?</p> <p>13 A. Well, at least the first one as I recall.</p> <p>14 But there may -- but, you know, I don't recall if</p> <p>15 she attended the others. There was repeat</p> <p>16 attendance because they were stated as refreshers.</p> <p>17 Q. Was your expectation -- you said this was</p> <p>18 a system -- was to have a regular compliance</p> <p>19 training program and/or refresher. So your -- is</p> <p>20 repeat attendance a pass on attending again?</p> <p>21 Let me say it a different way.</p> <p>22 Is it just a one -- you only expect them</p> <p>23 to attend it once or is it every year or every 18</p> <p>24 months? What is the system?</p> <p>25 MR. GARMAN (VIA ZOOM): Object to the</p> <p style="text-align: right;">Page 174</p> | <p>1 put in the document that we marked as tab 7.</p> <p>2 MR. THOMPSON (VIA ZOOM): Just one</p> <p>3 moment.</p> <p>4 Okay. It should be visible now,</p> <p>5 Counsel.</p> <p>6 MR. GARMAN (VIA ZOOM): We refreshed.</p> <p>7 Hold on. Tab 7?</p> <p>8 MR. THOMPSON (VIA ZOOM): Yes, that's</p> <p>9 right.</p> <p>10 Q. Can you see that, Mr. Frazer?</p> <p>11 MR. GARMAN (VIA ZOOM): The witness</p> <p>12 has --</p> <p>13 MS. STERN (VIA ZOOM): Okay.</p> <p>14 MR. GARMAN (VIA ZOOM): Yeah, the</p> <p>15 witness has it on my laptop and he's scrolling</p> <p>16 through it.</p> <p>17 Q. Okay. And I believe that we're showing</p> <p>18 you a document that has been marked as Exhibit 3. I</p> <p>19 don't see it myself right now, but it's -- does it</p> <p>20 have Exhibit 3?</p> <p>21 MR. GARMAN (VIA ZOOM): That's right.</p> <p>22 MS. STERN (VIA ZOOM): Okay.</p> <p>23 (Exhibit 3 marked.)</p> <p>24 Q. Can you -- is this -- is this a copy of</p> <p>25 the slides that you just described?</p> <p style="text-align: right;">Page 176</p> |
| <p>1 form of the question.</p> <p>2 A. Everyone who -- it was the same invitation</p> <p>3 list each time. The intent was to provide refresher</p> <p>4 training for those who may have been unable to</p> <p>5 attend the first time. You know, I recall it was,</p> <p>6 you know -- so if a person is unable to attend in</p> <p>7 one instance, then they can attend -- then hopefully</p> <p>8 they will be able to attend at another. And for</p> <p>9 those who are able to attend multiple times, the</p> <p>10 idea was that it would provide a useful -- a useful</p> <p>11 reminder.</p> <p>12 Q. And who prepared the presentation?</p> <p>13 A. The Brewer firm prepared a draft which,</p> <p>14 you know, we reviewed and made some edits to in a</p> <p>15 meeting.</p> <p>16 Q. Is that the initial presentation was</p> <p>17 prepared by the Brewer firm?</p> <p>18 A. That's right, it's the initial</p> <p>19 presentation, and I don't think they made any</p> <p>20 subsequent edits, but we did on our end based on</p> <p>21 questions -- you know, questions at each seminar.</p> <p>22 We try to improve the presentation for future</p> <p>23 seminars.</p> <p>24 Q. Okay.</p> <p>25 MS. STERN (VIA ZOOM): Stephen, can we</p> <p style="text-align: right;">Page 175</p> | <p>1 MR. GARMAN (VIA ZOOM): Take -- take</p> <p>2 whatever time you need to review it.</p> <p>3 Q. I'll just represent that this was produced</p> <p>4 to the Attorney General's office by the NRA. You</p> <p>5 can see Bates stamp numbers at the bottom of it -- I</p> <p>6 think you can see them.</p> <p>7 A. Okay. I think your question is whether</p> <p>8 this is the presentation that we gave, and the</p> <p>9 answer is -- is that -- is that your question?</p> <p>10 Q. That is my question.</p> <p>11 A. Yes, it is.</p> <p>12 Q. Okay. And then I see on the lower</p> <p>13 right-hand corner -- I think on the front page it</p> <p>14 has the date February 27, 2019.</p> <p>15 So this is the last version of the</p> <p>16 presentation that you provided; is that right?</p> <p>17 A. That's right.</p> <p>18 Q. Okay. And if you just flip to the end of</p> <p>19 the presentation, there's some notes.</p> <p>20 MR. GARMAN (VIA ZOOM): Counsel, what</p> <p>21 page? Is there a page number you're referring to?</p> <p>22 Q. I think they are -- sorry, hold on a</p> <p>23 second. Page -- oh, they don't have numbers on</p> <p>24 them. After the deck on number -- slide number 47.</p> <p>25 MR. GARMAN (VIA ZOOM): We see it.</p> <p style="text-align: right;">Page 177</p> |

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| <p>1 Q. Okay. Who prepared these notes?</p> <p>2 A. So I do not recall who prepared all of the</p> <p>3 notes, but I recall preparing some of the notes.</p> <p>4 Q. Okay. And the -- let's see. I'm looking</p> <p>5 at what's on our shared screen. But I think I'm --</p> <p>6 the Bates numbered pages NYAG-26435 that's the Bates</p> <p>7 number at the very bottom of the page. That's it.</p> <p>8 A. Yes.</p> <p>9 Q. Does that -- it refers to "Slide 1, Josh</p> <p>10 opens."</p> <p>11 Is that Joshua Powell?</p> <p>12 A. That's correct.</p> <p>13 Q. Okay. So you presented this -- and then</p> <p>14 it says after the bottom of that paragraph, Then</p> <p>15 over to John.</p> <p>16 And that's referring to you; is that</p> <p>17 right?</p> <p>18 A. Yes.</p> <p>19 Q. So were you both the presenters for all</p> <p>20 three seminars that you mentioned?</p> <p>21 A. No. Josh Powell essentially introduced</p> <p>22 the first seminar, and then after that, I was the</p> <p>23 sole presenter for the remaining two seminars.</p> <p>24 Q. Okay. Did -- did you require that any of</p> <p>25 the directors review the compliance and governance</p> <p style="text-align: right;">Page 178</p> | <p>1 operations across the entire NRA.</p> <p>2 Q. What kind of -- are there any documents</p> <p>3 that relate to those presentations?</p> <p>4 A. Yes. We have some handouts. We have some</p> <p>5 materials that staff refer to. We have PowerPoint</p> <p>6 decks created by -- created by, you know, by</p> <p>7 managers presenting about their division's</p> <p>8 activities.</p> <p>9 Q. And who is responsible for maintaining</p> <p>10 those documents?</p> <p>11 A. The secretary's office maintains the</p> <p>12 documents for -- there's actually a notebook that's</p> <p>13 handed out and we create that and maintain it. And</p> <p>14 the PowerPoint presentations or other handouts are</p> <p>15 created or maintained by the individual staff who</p> <p>16 are -- who are presenting.</p> <p>17 Q. Does the notebook that's given to the</p> <p>18 board members, does that include materials that you</p> <p>19 referred to that provide some training on some of</p> <p>20 these compliance topics?</p> <p>21 A. You know, I'm not picturing the same type</p> <p>22 of materials just because the audience is different.</p> <p>23 Obviously the focus on a -- on a -- in a staff</p> <p>24 compliance program is on the type of issues that</p> <p>25 they're going to run into as they go about hiring</p> <p style="text-align: right;">Page 180</p> |
| <p>1 program?</p> <p>2 A. I'm sorry, I'm not sure I understand the</p> <p>3 question.</p> <p>4 Q. Did the NRA require that directors review</p> <p>5 this presentation?</p> <p>6 A. Do you mean directors as in board members</p> <p>7 or directors as in in-house division directors,</p> <p>8 staff members?</p> <p>9 Q. I'm sorry, board members.</p> <p>10 A. No, we did not.</p> <p>11 Q. And did you provide any kind of comparable</p> <p>12 compliance training to members of the board?</p> <p>13 MR. GARMAN (VIA ZOOM): Objection to</p> <p>14 form.</p> <p>15 A. We provide some -- we provide a -- we</p> <p>16 cover some of the same general topics with the board</p> <p>17 in our new board member orientations which are</p> <p>18 held -- typically our new -- new board members are</p> <p>19 elected in -- in the spring. And typically, you</p> <p>20 know, shortly after that in the summer, we'll have</p> <p>21 an orientation session for -- for board members in</p> <p>22 which they'll receive briefings from -- both from</p> <p>23 legal counsel and from NRA operational staff</p> <p>24 addressing and trying to familiarize them with --</p> <p>25 with both their duties as board members and with</p> <p style="text-align: right;">Page 179</p> | <p>1 vendors, for example, as well as about what</p> <p>2 applicable whistleblower procedures and protection</p> <p>3 and so forth.</p> <p>4 The -- the presentation to -- you know,</p> <p>5 board members aren't signing contracts, so the</p> <p>6 emphasis is different. The emphasis there is more</p> <p>7 on their -- on their oversight duties and as well as</p> <p>8 the information that they need to help the whole</p> <p>9 board and committee process run smoothly.</p> <p>10 Q. Do you provide any kind of -- or sorry,</p> <p>11 does the NRA provide any kind of training to board</p> <p>12 members on conflicts of interest and related-party</p> <p>13 transactions?</p> <p>14 A. Yes. So now because of COVID, we didn't</p> <p>15 do -- because of COVID and the rescheduling of our</p> <p>16 annual meeting, we haven't done a board member</p> <p>17 orientation session since the summer of 2019. So --</p> <p>18 so we're relying on -- you know, my memory is a</p> <p>19 little -- a little old here.</p> <p>20 But, you know, I think we do talk about</p> <p>21 the duty of -- duty of loyalty, including the duty</p> <p>22 to avoid conflicts of interest, to put the</p> <p>23 Association's interests above their own, and then we</p> <p>24 also -- we also have -- on an ongoing basis, you</p> <p>25 know, provide them frequently with -- with</p> <p style="text-align: right;">Page 181</p> |

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| <p>1 additional copies of the conflict of interest policy 2 for their review in the -- in the -- as part of the 3 financial disclosure process. 4 We'll either distribute at a board meeting 5 or send by email a copy of the financial disclosure 6 questionnaire. And each and every time we send the 7 questionnaire out, it's accompanied by a copy of the 8 policy because one of the -- one of the questions on 9 the form asks them to certify that they have read 10 and understood and will abide by the conflict of 11 interest policy. So, you know, we give them the 12 policy so they have the opportunity to review it. 13 And at the board -- at the board 14 meetings -- at each board meeting when I give my 15 report as secretary, I am -- I remind them of the -- 16 of the need to return these forms if they haven't 17 done so and as well as to update their forms if they 18 have -- if there have been any changes. 19 Q. Have there been -- have the conflict of 20 interest policies and questionnaires been 21 distributed -- were they distributed in 2020? 22 A. Yes. 23 Q. And have the board members -- what -- what 24 is the response rate on the questionnaires? 25 A. So -- so we distributed them in 2020, and</p> <p style="text-align: right;">Page 182</p> | <p>1 it by email, I'm usually writing a new message each 2 year, and it may vary, but I don't know. 3 Q. Has the NRA -- did the NRA consider 4 whether -- the option to do a compliance 5 presentation in 2020 virtually, like we have spent 6 our entire day together? 7 A. I think -- I think we considered it, but 8 the difficulty is that in addition to the -- to the 9 level of the virtual -- addition to the challenges 10 of virtual presentations, some of which we have 11 experienced here today, we also have the issue that 12 because of staff furloughs, you know, people's 13 workload -- a lot of people are doing double and 14 triple duty. 15 And, you know, while compliance is 16 important, I also, you know, don't want to be a 17 burden on my colleagues. 18 Q. Is there any kind of compliance training 19 for outside vendors? 20 A. There have been compliance reminders on 21 certain issues. So as we went into this process 22 in -- in 2018, the treasurer's office sent letters 23 to major vendors demanding that they provide more 24 detailed invoicing and especially more detailed 25 documentation and backup of out-of-pocket expenses</p> <p style="text-align: right;">Page 184</p> |
| <p>1 the response rate was somewhere over 90 percent. 2 And we have distributed them in 2021, and it is more 3 than 80 percent, but, you know, the year's earlier 4 -- early -- excuse me -- the year's early, it has 5 been a busy year, so I have some follow-ups to 6 pursue. 7 Q. When do they get distributed in the year, 8 what time frame? 9 A. We distribute them typically in January 10 and then -- at the board meeting, and then start 11 following up by email shortly thereafter with people 12 who didn't return them. A lot of the time that's 13 because people either missed -- people either missed 14 the meeting or they took hard copy home and, you 15 know, gets lost in the shuffle. 16 Q. And last year when you say you had 17 90 percent response rate, do you recall like at what 18 point in the year you achieved 90 percent? 19 A. That's -- that's as of the end of the 20 year. I don't -- I don't know when -- I don't know 21 when in the year we hit that level. 22 Q. Do you provide a due date when you -- when 23 you send them the questionnaire? 24 A. I don't recall. You know, I'm writing a 25 new -- I'm usually writing a new -- when I'm sending</p> <p style="text-align: right;">Page 183</p> | <p>1 that are being passed through to the NRA. 2 Q. And is there compliance training for 3 consultants? 4 A. I would put consultants in the same 5 category as vendors. We use the terms kind of 6 interchangeably. 7 Q. So these are materials that are provided 8 but not an actual presentation that they -- is given 9 to them or that they're required to do; is that 10 right? 11 A. Yes. 12 Q. Okay. And -- and when you have done the 13 seminars, is there any kind of mechanism for testing 14 comprehension? 15 A. Well, the -- you have seen the slide deck. 16 And there's a -- there are a series of hypothetical 17 questions at the end to test people's knowledge. 18 And, you know, I found that those were pretty 19 effective to spark participation. In fact, I think 20 most of the changes that I made from version to 21 version were based on trying to clarify and improve 22 those hypotheticals so that they would be easier to 23 present, easier to understand and engage with. 24 Q. Okay. Let me -- do we still have the -- 25 the exhibit? Is it still available to you?</p> <p style="text-align: right;">Page 185</p> |

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| <p>1 A. I still have it, yes. 2 Q. Okay. I just had a couple of questions. 3 Okay. If you can turn to slide 7. 4 A. Slide 7 in the deck itself? 5 Q. Yeah. 6 Are you there? 7 A. Yes, I see it. 8 Q. Okay. There's a bullet there that reads, 9 Whistleblower concerns investigated by counsel and 10 addressed by audit committee. 11 And the heading is, Recap since 2018, 12 Recent strides and ongoing initiatives. 13 Do you know what that's referencing? 14 A. Which -- 15 MR. GARMAN (VIA ZOOM): Objection to 16 form. 17 Q. The -- direct you to the third bullet. 18 A. Right. 19 Q. What does that refer to? 20 A. Well, that would refer to any and all 21 whistleblower committees that had gone through that 22 process which would primarily being the addressing 23 issues that were brought forth in early to mid 2018. 24 Q. And those were investigated by what 25 counsel?</p> <p style="text-align: right;">Page 186</p> | <p>1 are whistleblower investigations, and so we have to 2 be careful of revealing the identity of the 3 individuals raising concerns. So we don't -- we 4 don't put out a building-wide email addressing some 5 specific circumstance. But we -- but we 6 certainly -- you know, the type of situations that 7 came up have been incorporated into subsequent 8 training. And they -- and certainly have informed 9 our advice to employees, you know, raising -- you 10 know, ask us any questions about any of these types 11 of things. 12 Q. So my question, Mr. Frazer, is: Did 13 you -- did the NRA disclose to employees of the 14 organization the nature of issues that were raised 15 and the findings from the investigation? 16 MR. GARMAN (VIA ZOOM): Objection to 17 the form of the question. 18 A. Not -- not organization-wide, but we 19 certainly communicated with the individuals who 20 raised specific concerns to talk about our findings. 21 Because frankly we worked with them to -- to figure 22 out what was going on and to find out if they were 23 satisfied that -- that issues had been resolved. 24 Q. Okay. Can we turn to slide 14 -- actually 25 slide 15.</p> <p style="text-align: right;">Page 188</p> |
| <p>1 A. Combination of the inside and outside 2 counsel. I worked on them and so did the Brewer 3 firm. 4 Q. And were there any findings reached in 5 that investigation? 6 A. Yes. 7 Q. Were they reported to the board? 8 A. They were reported to the -- they were 9 certainly reported to the audit committee. 10 Q. Were they reported to anyone beyond -- any 11 other board members beyond the audit committee? 12 A. Well, bear in mind that the -- because of 13 the importance of the audit committee, it draws an 14 increasingly large audience. So although its 15 meetings are held in executive session, when it 16 meets in conjunction with the board meeting 17 typically three times a year, we have had quite a 18 few board members attend and -- and become aware of 19 the committee's activities. 20 Q. If they chose to attend the audit 21 committee meeting; is that right? 22 A. That's right. 23 Q. Were findings from that investigation 24 presented to or otherwise reported to NRA employees? 25 A. So, you know, of course -- of course these</p> <p style="text-align: right;">Page 187</p> | <p>1 A. I think I have it, yes. 2 Q. Okay. So there's a few slides here that 3 are entitled -- the very top -- Compliance Refresher 4 Conflicts of Interest and Related-Party 5 Transactions. There's a few slides in a row. 6 Could you just take a look at them and 7 tell me do these still reflect the policies that are 8 currently in effect? 9 MR. GARMAN (VIA ZOOM): Counsel, can 10 you identify which slide you're referring to? 11 Q. Okay. I just -- I did just try to do 12 that. Looking at 15, 16, 17, 18, 19, and 20 I 13 believe are all part of that section. 14 A. Okay. 15 Q. And my question is: Do those reflect the 16 policies that are currently in effect, governing 17 conflicts of interest and related-party 18 transactions? 19 MR. GARMAN (VIA ZOOM): Objection to 20 form. 21 Go ahead. 22 A. (Reviewed document.) With the exception 23 that the -- you know, off the cuff here, with the 24 exception that the financial disclosure 25 questionnaire is now the 2021 disclosure form, I</p> <p style="text-align: right;">Page 189</p> |

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| <p>1 think those reflect -- you know, it's summarizing 2 the 2016 conflict of interest policy, so -- which 3 hasn't been changed, so it does reflect that policy. 4 Q. Okay. And on Monday at your 30(b)(6) 5 deposition, we were asked -- you were asked about 6 whether Mr. LaPierre's use of a yacht that was owned 7 by David McKenzie or Stanton, goes by both names, 8 whether that created -- whether that was a conflict 9 of interest. 10 And I think that your question -- that you 11 raised some hesitation as to whether or not since 12 you didn't have the policy in front of you. 13 So looking at the slides, can you answer 14 that question now? 15 MR. GARMAN (VIA ZOOM): Object to the 16 form of the question. 17 A. So understanding that -- that these slides 18 are a summary of the policy and not the policy 19 itself, so you see, for example, on pages 16 through 20 19, I think, there's a footnote that says for the 21 exact language, see the policy itself and refers to 22 page numbers -- or section numbers of the policy. 23 Please give me a moment to -- to review. 24 Q. I'll be happy to give you the policy if 25 that would make it easier.</p> <p style="text-align: right;">Page 190</p> | <p>1 just said, this is a -- this is an excerpt. And let 2 me direct you -- 3 A. Well, is it the -- is it the -- is it at 4 the -- there we go. 5 Q. I think you're going to find it at Bates 6 stamped page -- again the very bottom Bates stamp -- 7 NYAG-00019211. 8 A. Okay. 9 Q. Are you at that page yet? 10 A. Yes, we are. 11 Q. Okay. And so first -- first let me ask 12 you if what's before you, which as we have 13 represented is an excerpt of a document produced to 14 the Attorney General's office that's entitled The 15 National Rifle Association of America Policy Manual, 16 whether you recognize this document to contain 17 excerpts of that policy manual? 18 A. I mean, it certainly -- it certainly 19 contains excerpts -- oh, right, it is excerpts, only 20 72 pages. 21 Q. Yeah. I think if you actually look at the 22 table of contents, there's over 280 pages to the 23 full policy manual. 24 A. Sounds right. 25 Q. So...</p> <p style="text-align: right;">Page 192</p> |
| <p>1 MS. STERN (VIA ZOOM): Stephen, why 2 don't you just put the policy in the exhibits and 3 we'll mark it as the next exhibit. 4 A. (Reviewed document.) 5 MS. STERN (VIA ZOOM): Stephen, have 6 you had a chance to put the policy in? 7 MR. THOMPSON (VIA ZOOM): It is 8 loading now. 9 MS. STERN (VIA ZOOM): Oh, okay. 10 MR. THOMPSON (VIA ZOOM): Should be 11 available now, Counsel. I apologize, I introduced it 12 without the -- the stamp, so I will ask Veritext at 13 the end of this to mark it as Exhibit 4. 14 And also for the record, I will just 15 note that this is an excerpt of a rather large 16 document but that this excerpt comes from The 17 National Rifle Association of America Policy Manual. 18 (Exhibit 4 marked.) 19 Q. So, Mr. Frazer, do you have access to that 20 exhibit? 21 A. Not yet. We're getting it. 22 Q. Okay. 23 A. You might need to do a word search. 24 Q. Are you -- I know I can help you out in 25 terms of the -- we don't have the -- as my colleague</p> <p style="text-align: right;">Page 191</p> | <p>1 A. Yes, this appears to be the conflict of 2 interest policy. 3 Q. Okay. And then will you turn to Bates 4 stamp NYAG-00019211. 5 And my question is whether or not this is 6 the conflict of interest and related-party 7 transaction policy that's currently in effect at the 8 NRA, and it continues for a few pages there. 9 A. Yes, it is. 10 Q. Okay. So now back to my question about 11 Mr. LaPierre's use of the yacht. 12 Is that a violation of the NRA's conflict 13 of interest policy if he didn't provided advance 14 notice -- 15 MR. GARMAN (VIA ZOOM): Object to the 16 form of the question. 17 Q. -- for the use of that yacht? 18 MR. GARMAN (VIA ZOOM): Object to the 19 form of the question. 20 Counsel, will you do me a favor, will 21 you represent that the excerpts you have produced are 22 all of the provisions that would relate to the 23 question you're asking? 24 MS. STERN (VIA ZOOM): It is my 25 understanding -- well, let me just -- Mr. Frazer is</p> <p style="text-align: right;">Page 193</p> |

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| <p>1 going to know this better than I am, but it is my 2 understanding that the way that this policy manual is 3 organized is in the historical form where new 4 policies continue to be added and then at the back 5 there are some appendices. 6 And so there is a -- the back of the 7 document which you have are statements of corporate 8 ethics, purchasing policy, among others, an officer 9 and board of directors disclosure of financial 10 interest form. 11 So this portion of the policy is 12 entitled the Conflict of Interest and Related-Party 13 Transaction Policy. I think the witness can explain 14 whether or not this is the current policy. 15 A. I think I already testified that it is the 16 current policy. 17 Q. Okay. So is Mr. LaPierre a covered person 18 under the definition of "covered persons" in the 19 conflict of interest policy? 20 A. Yes. 21 Q. And would his acceptance of a gift from a 22 vendor to the NRA create appearance of influence 23 that would create a potential conflict? 24 MR. GARMAN (VIA ZOOM): Objection to 25 the form of the question.</p> <p style="text-align: right;">Page 194</p> | <p>1 Do you see below that it specifically 2 includes free use of boats? 3 A. Yes, I do. 4 Q. And so in your presentation to the group 5 of NRA employees that you thought were very 6 important that they have training on compliance with 7 the conflicts of interest and related-party 8 transactions policies, you specifically highlighted 9 this type of transaction. 10 MR. GARMAN (VIA ZOOM): Object to 11 form. 12 Q. In the context of Mr. LaPierre's use of 13 Mr. McKenzie's yacht, is there a reason why it 14 wouldn't be a conflict of interest? 15 MR. GARMAN (VIA ZOOM): Object to the 16 form of the question. 17 A. Well, the -- if you look at the document 18 as a whole, you will note on the previous slide, 19 page 16, states that as a general rule, disclosure 20 should be made if a covered person directly or 21 indirectly does various things. And one of those is 22 to -- includes free use or -- free use of boats, 23 planes, vacation houses, et cetera, as part of a 24 social activity. 25 So, you know, there -- so -- so we're</p> <p style="text-align: right;">Page 196</p> |
| <p>1 A. I would -- I would say it would be a 2 potential conflict, and I would note the language 3 before the numbered list in Section III where it 4 says, Not possible to describe or anticipate all the 5 circumstances that might involve a conflict of 6 interest, a conflict of interest may arise -- and 7 its emphasis in the original -- may arise when a 8 covered person directly or indirectly does various 9 things. 10 So we weren't trying to spell out that 11 things are automatically conflicts of interest but 12 to flag issues that should be considered. 13 Q. Okay. So I direct you back to the -- the 14 compliance slide presentation that we were just 15 looking at, which I believe is Exhibit 3, slide 17. 16 A. Okay. 17 Q. And in your slide presentation, which you 18 yourself presented on a number of occasions, in the 19 middle bullet, it indicates that the provision 20 concerning whether it's subject to actual or 21 apparent undue influence. 22 The e.g.'s include, Has solicited or 23 accepted any gifts, entertainment, or favor where 24 such gift might create the appearance of influence 25 (excludes gifts under \$250).</p> <p style="text-align: right;">Page 195</p> | <p>1 talking about a general type of activity and 2 suggesting that certainly under some circumstances 3 it would warrant reporting. And, you know, I think 4 that's what we highlighted, literally highlighted. 5 Q. Is the NRA undertaking any type of 6 investigation as to whether Mr. LaPierre violated 7 the conflict of interest policy in connection with 8 his use of Mr. McKenzie's yacht? 9 MR. GARMAN (VIA ZOOM): One second. I 10 object to the extent the answer requires you to 11 breach the attorney-client privilege. 12 A. I don't know of any investigation. 13 Q. If there were -- if an investigation was 14 to be conducted, who would be responsible for 15 conducting that investigation? 16 A. It would -- well, I mean, you're speaking 17 hypothetically -- are you speaking hypothetically 18 about an investigation of this specific activity or 19 transaction? 20 Q. No, I'm speaking of under the policy -- 21 sorry. 22 I'm speaking about under the policy, your 23 conflict of interest policy, who is responsible for 24 conducting an investigation into possible violation 25 of the policy.</p> <p style="text-align: right;">Page 197</p> |

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| <p>1 MR. GARMAN (VIA ZOOM): Object to -- 2 object to the form of the question. 3 Go ahead. 4 A. Into -- into any possible violation. So 5 the -- the enforcement -- just to make sure I 6 understand, you referred to any possible violation. 7 The enforcement of the policy is -- falls 8 under the jurisdiction of the audit committee, and 9 so what would normally happen would be for whoever 10 the -- whoever an issue came to light with, whether 11 it's human resources, Office of General Counsel, or 12 the audit committee secretary, to confer and 13 collaborate on -- on what might be the best way 14 to -- you know, what might be the best way to 15 investigate something or who might be the best 16 person to investigate it. You'd have to consider 17 potential conflicts of interest of the potential 18 investigators, for example. 19 But generally speaking, the Office of 20 General Counsel would normally have a role in that 21 and so would the audit committee. 22 Q. And what do you mean when you say that the 23 investigators might have conflicts of interest? 24 A. Well, if it was -- speaking 25 hypothetically, if it was an allegation about a</p> <p style="text-align: right;">Page 198</p> | <p>1 directors and officers to determine whether they had 2 been reviewed and approved in accordance with NRA's 3 internal conflicts of interest and related-party 4 transaction policies? 5 A. I am. 6 THE WITNESS (VIA ZOOM): And -- and if 7 I may, could I ask that we take a short break. 8 MS. STERN (VIA ZOOM): Oh, sure. 9 THE WITNESS (VIA ZOOM): Seems like -- 10 seems like we're moving into a new topic and this 11 might be a good opportunity. 12 MS. STERN (VIA ZOOM): If the witness 13 would like a break, we should take a break. 14 THE WITNESS (VIA ZOOM): Thank you. 15 THE VIDEOGRAPHER (VIA ZOOM): Going 16 off the record. The time the 16:31 p.m. 17 (Recess 4:31 p.m. to 4:41 p.m.) 18 THE VIDEOGRAPHER (VIA ZOOM): Going 19 back on the record. The time is 16:41 p.m. 20 Q. Okay. So, Mr. Frazer, we were talking 21 about conflict of interest and related-party 22 transactions that were reviewed by the audit 23 committee in 2018 and 2019. 24 Would you agree with me that the audit 25 committee determined that there had been a number of</p> <p style="text-align: right;">Page 200</p> |
| <p>1 conflict of interest on the part of the general 2 counsel, then the Office of General Counsel isn't 3 going to be involved in it. 4 Q. Okay. I understand. Okay. 5 So whether or not the boat -- the use of 6 the boat was, in fact, a conflict of interest, 7 should Mr. LaPierre have reported it to the audit 8 committee? 9 MR. GARMAN (VIA ZOOM): Objection to 10 the form of the question. 11 A. You know, if it occurred in the time frame 12 when this -- when this policy, you know, became -- 13 came into effect, then I think -- I think it would 14 have been appropriate to have disclosure to the 15 committee. 16 Q. Are you aware of whether or not 17 Mr. LaPierre reported use of Mr. McKenzie's yacht to 18 the audit committee? 19 A. I'm not aware that he did. 20 Q. You're not aware that he did report it, is 21 that right, just to be clear? 22 A. That's right. That's right. 23 Q. Okay. In 2018 and in 2019, are you aware 24 of the audit committee reviewing various 25 transactions involving directors, family members of</p> <p style="text-align: right;">Page 199</p> | <p>1 instances in which transactions that posed potential 2 conflicts of interest that should have been 3 disclosed and approved in advance were not, in fact, 4 disclosed to the audit committee during that time 5 period? 6 MR. GARMAN (VIA ZOOM): Objection as 7 to form. 8 A. Yes. 9 Q. And just to be clear, they determined 10 during that time period that the transactions had 11 not been disclosed, the transactions occurred over a 12 variety of time periods? 13 A. That's right. 14 Q. Okay. And what -- what caused the audit 15 committee to -- to review those transactions in the 16 first instance? 17 A. Well, as part of the -- as part of the 18 review that we were doing of -- of compliance, we 19 became aware of additional transactions or -- or 20 board members may have reported things for the first 21 time or other people may have reported things for 22 the first time that they may not previously have 23 been aware of posed any issue. 24 Q. You said board members may have reported 25 them for the first time.</p> <p style="text-align: right;">Page 201</p> |

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| <p>1 Are you aware of any specific instances 2 where a board member reported a transaction that 3 caused the audit committee to look back at prior 4 transactions? 5 MR. GARMAN (VIA ZOOM): Objection to 6 form. 7 A. Without -- without looking at the 8 committee report, I can't point you to a -- to a 9 specific instance. 10 Q. And when you said that you -- that the NRA 11 began looking at these transactions as part of its 12 compliance review, was this the review that we were 13 talking about that Morgan Lewis did? 14 A. It was -- 15 MR. GARMAN (VIA ZOOM): Wait. Wait. 16 Wait. 17 I'm sorry, Counsel, would you -- would 18 you restate that. 19 MS. STERN (VIA ZOOM): Can the court 20 reporter read the question. 21 (Record read.) 22 MR. GARMAN (VIA ZOOM): I instruct you 23 not to answer the question with regard to the work 24 done by Morgan Lewis. 25 A. So it was part of the compliance review of</p> <p style="text-align: right;">Page 202</p> | <p>1 Counsel, just for the record, this is an excerpt of 2 the board meeting minutes, specifically an excerpt of 3 the minutes of the audit committee. 4 THE WITNESS (VIA ZOOM): Thank you. 5 A. (Reviewed document.) Okay. 6 Q. Do you recognize that document? 7 A. I do. 8 Q. Okay. And that -- is that a report of the 9 audit committee dated September -- looks like 8 to 10 9, 2018? 11 A. Starting on page 6, that's what it is. 12 You have some front matter from the overall board 13 meeting before that. 14 Q. Okay. That's right. 15 And so I think at the -- Bates page starts 16 at NYAG-0027013 and continues to NYAG-0027019. 17 So that section of the document is the 18 report of the audit committee for the period 19 September 8 to 9, 2018? 20 A. Yes. 21 Q. Actually, let me restate that because 22 that, I don't think, is right. 23 That is the report dated September 8 to 9, 24 2018; is that right? 25 A. Right. I appreciate the -- I appreciate</p> <p style="text-align: right;">Page 204</p> |
| <p>1 which Morgan Lewis was a -- was a part but that 2 encompassed individuals and firms other than Morgan 3 Lewis by the time frame that you're talking about. 4 MS. STERN (VIA ZOOM): I'm sorry. Can 5 you just read that last part back? 6 (Record read.) 7 Q. And who were those individuals and firms? 8 A. Well, a whole host of internal NRA staff, 9 including myself, as well as the Brewer firm. 10 Q. Okay. 11 MS. STERN (VIA ZOOM): Stephen, can we 12 put into the exhibits tabs 15, 11, and 5. 13 MR. THOMPSON (VIA ZOOM): Yes. 14 MS. STERN (VIA ZOOM): Just let me 15 know when they're there because I don't have the same 16 setup. 17 MR. THOMPSON (VIA ZOOM): The first 18 one is available now. 19 MR. GARMAN (VIA ZOOM): We have 20 Exhibit 5. 21 (Exhibit 5 marked.) 22 Q. Exhibit 5? 23 And can you take a look at that document, 24 Mr. Frazer, and let me know if you can identify it? 25 MR. THOMPSON (VIA ZOOM): And,</p> <p style="text-align: right;">Page 203</p> | <p>1 the catch. Thank you, Counsel. 2 Q. Okay. And -- and the -- this is a 3 standard form which the audit committee was 4 preparing its reports around that time; is that 5 right? 6 A. Yeah. It's a standard -- it's a standard 7 form that all of the committees use, and that's why 8 we have the dates of the meeting itself. It's 9 always stated as two days just in case the meeting 10 goes into a second day. So -- and the board meeting 11 was going to be held September 8 and potentially 12 September 9, but this actually reflects all 13 activities of the audit committee since the previous 14 board meeting. So you have reports regarding -- you 15 know, you have items regarding both the July and 16 September meetings. 17 Q. And just looking at the -- the report that 18 relates to July 30th, 2018, which is at the top of 19 Bates page NYAG-0027013, we were previously 20 discussing some issues raised by whistleblowers. 21 Issues were raised by -- those issues 22 raised by the whistleblowers were presented at that 23 July 30th, 2018, meeting, weren't they? 24 A. Yes. 25 Q. Do you know why there's no indication in</p> <p style="text-align: right;">Page 205</p> |

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| <p>1 the notes of that meeting that those issues were 2 raised? 3 MR. GARMAN (VIA ZOOM): Objection to 4 form. 5 Go ahead. 6 A. I don't know why that's not stated. 7 Q. Who prepares the minutes of -- at that 8 time, who was preparing the minutes of the audit 9 committee meetings? 10 A. So let me make what seems like a minor 11 distinction but may be helpful. There -- what we -- 12 part of the secretary's office duties is to train 13 committee secretaries. And we make a distinction in 14 that training between minutes and committee reports. 15 And the minutes are a record of what was done in a 16 particular meeting. The committee report is what 17 goes to the board and can encompass multiple 18 meetings. I just wanted to lay that -- to lay that 19 out. 20 The committee secretary at the time of 21 the -- of -- of the July 30th meeting was Rick 22 Tedrick. And typically Ms. Rowling would take notes 23 and -- and assist in preparation of the -- of the 24 documents. And the documents would then go to the 25 secretary's office staff for some final formatting</p> <p>Page 206</p> | <p>1 trip and transaction with HomeTelos; transaction 2 involving Josh Powell involving McKenna and another 3 one with Jim Powell Photography. 4 And those are -- are those all 5 transactions that the audit committee reviewed and, 6 to your understanding, purported to ratify? 7 MR. GARMAN (VIA ZOOM): Objection to 8 form. 9 A. One moment to review the resolutions. 10 (Reviewed document.) Okay. 11 MS. STERN (VIA ZOOM): Can the 12 reporter read the question. 13 (Record read.) 14 A. Yes. 15 Q. Do you know who prepared the resolutions? 16 A. It was a -- you know, there are several, 17 and I don't think they were all prepared by the same 18 individual necessarily, but collectively I would say 19 they represent a combined effort between me and the 20 Brewer firm. 21 Q. Okay. And do you recall what the -- what 22 kind of materials were provided to the members of 23 the audit committee to consider these transactions? 24 A. So the document that I recall was -- the 25 document that I recall was -- the document that I</p> <p>Page 208</p> |
| <p>1 just to make sure all the reports look the same and, 2 you know, check for typos and so forth. 3 The -- but Mr. -- you know, as the minutes 4 indicate, Mr. Tedrick was the committee secretary 5 and -- at the time of the July meeting. 6 Q. So he would have been responsible for any 7 minutes? 8 A. He would have, but I don't recall if he -- 9 if he actually prepared those minutes or this report 10 at that time. 11 Q. Okay. So just -- just looking through 12 the -- the report, I am not going to ask you in 13 detail about these transactions, but does this 14 report reflect some of the transactions that the 15 audit committee reviewed and purports to have 16 ratified? 17 A. The second part of the -- so -- so what 18 this indicates is that there were no such actions at 19 the July meeting but that there were some -- some 20 actions of that type at the -- at the September 21 meeting. 22 Q. Right. 23 And so there's references to transactions 24 involving Oliver North; and Marion Hammer; Julie 25 Golob; Woody Phillips, two -- two matters, a sailing</p> <p>Page 207</p> | <p>1 specifically recall seeing or having -- or having 2 discussed was a -- a brief document that purported 3 to be a summary of Colonel North's contract with 4 Ackerman McQueen. And I don't recall -- I don't 5 recall other documents reviewed by the committee. 6 So... 7 MS. STERN (VIA ZOOM): Okay. And can 8 we look at the next -- Stephen, can we look at the 9 next -- I think it should be tab 11, which would be 10 Exhibit 6, I believe. 11 (Exhibit 6 marked.) 12 MR. THOMPSON (VIA ZOOM): Yes, it 13 should already be available. 14 Q. Okay. And at the same time, if you could 15 also take a look at tab 5, which should be 16 Exhibit 7. 17 (Exhibit 7 marked.) 18 MR. GARMAN (VIA ZOOM): Regrettably, 19 the system only lets you open one document at a time. 20 MS. STERN (VIA ZOOM): Oh, okay. 21 Q. All right. So let's identify Exhibit 6, 22 and I'll represent to you that this is also an 23 excerpt of minutes of an NRA board meeting that were 24 produced to the Attorney General's Office and 25 reflect the date January 5, 2019.</p> <p>Page 209</p> |

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| <p>1 My question to you is: Do you recognize 2 the excerpt of the minutes which includes the report 3 of the audit committee that's -- as it's so entitled 4 beginning on page NYAG-0022774 and continuing to 5 page NYAG-0022778? 6 A. I do. 7 Q. Okay. And is this a report of the audit 8 committee dated January 5th to 6th, 2019? 9 A. That's for the board meeting of January 5 10 to 6, 2019. But this reflects a committee meeting 11 that occurred on December 5th, 2018. And I think -- 12 and, actually, then another meeting that occurred on 13 January 4, 2019. 14 Q. And then it was delivered to the -- report 15 was delivered to the board of directors on 16 January 5th or 6th, 2019; is that right? 17 A. Right. It would have been the 5th. We 18 always list a two-day span just in case it goes 19 over. 20 Q. Okay. And my question to you is -- is 21 just -- are these additional transactions that the 22 audit committee also considered in connection with 23 its compliance review of transactions involving 24 potential conflicts of interest? 25 A. Yes.</p> <p style="text-align: right;">Page 210</p> | <p>1 remember -- I don't remember this one specifically. 2 But the typical practice was that since these 3 transactions were reported to me, I would often have 4 been the one to -- you know, to gather background 5 information from relevant staff or from the -- or 6 from the officer, director, or other person who 7 reported the item. And -- and then I would -- you 8 know, we would discuss a potential -- a potential 9 resolution and consider -- and consider it. 10 Q. Are you familiar with what the standards 11 are for -- under New York law for related-party 12 transactions involving charitable corporations? 13 MR. GARMAN (VIA ZOOM): Objection to 14 form. 15 A. Yes. 16 Q. And what are they? 17 A. You have to have a determination -- 18 MR. GARMAN (VIA ZOOM): Objection to 19 form. 20 Go ahead. 21 THE WITNESS (VIA ZOOM): Okay. Sorry. 22 A. You have to have a determination by -- 23 essentially by a disinterested body that the 24 transactions are fair and reasonable and in the best 25 interest of the organization.</p> <p style="text-align: right;">Page 212</p> |
| <p>1 Q. Okay. And what do you recall was the 2 process by which the audit committee reviewed these 3 transactions? 4 MR. GARMAN (VIA ZOOM): Objection to 5 the form. 6 Go ahead. 7 A. So the committee went -- went into 8 executive session with committee members and 9 counsel, among others, discussed the -- you know, 10 discussed the various transactions that are 11 described here and adopted the resolutions that you 12 see. 13 Q. And what kind of material was provided to 14 the audit committee members to allow them to 15 evaluate the transactions? 16 A. I don't recall any physical materials 17 being handed out. 18 Q. Was there a presentation done to the audit 19 committee? 20 A. I mean, there was a presentation -- there 21 was a -- there was a discussion in which we went 22 through these items one by one. 23 Q. And how were the items presented to the 24 audit committee for its consideration? 25 A. The -- I don't remember -- I don't</p> <p style="text-align: right;">Page 211</p> | <p>1 Q. Are there any procedural requirements that 2 you're familiar with? 3 A. You're supposed to -- and this is -- you 4 know, obviously this is from memory of a more 5 detailed statute. 6 But you're supposed to discuss the market 7 valuation, any alternative feasible transactions or 8 words to that effect, and to document the 9 committee's findings. 10 Q. And what is your understanding of the 11 consideration of alternative -- I think you said 12 alternative feasible transactions. 13 What does that require? 14 MR. GARMAN (VIA ZOOM): Objection to 15 form. 16 A. I don't recall specific statutory 17 requirements. Of course it requires at the outset 18 that there actually be some feasible alternative 19 transactions. But the -- but I'm afraid I don't 20 recall any other of the statutory provisions. 21 Q. What -- what does the -- what -- in the 22 two audit committee reports that we have looked at, 23 the September report 2018, the January 2019 report, 24 what do you recall the NRA doing to consider what 25 you call alternative feasible transactions?</p> <p style="text-align: right;">Page 213</p> |

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| <p>1 MR. GARMAN (VIA ZOOM): Objection to 2 form. 3 A. Well, I recall that in at least some 4 cases, there was a discussion of -- of the 5 uniqueness of the -- of the individual's 6 qualifications. I'm speaking generally here, not on 7 any particular transaction. There was some 8 discussion of the -- you know, did the person have 9 such unique credentials that there wasn't really a 10 feasible alternative. 11 Q. And what -- sorry. I don't mean to 12 interrupt you. Go ahead. 13 A. No, you can go ahead. 14 Q. Okay. And -- and what did the committee 15 consider to determine whether the terms of the 16 transaction were fair and reasonable and in the best 17 interest of the NRA? 18 MR. GARMAN (VIA ZOOM): Objection to 19 form. 20 A. So in those instances, staff would conduct 21 some analysis that was presented orally to the 22 committee about, you know, researching, you know, 23 and at least -- for at least some of these 24 researching market prices. You know, are we getting 25 a good deal here, you know, compared to comparable</p> <p style="text-align: right;">Page 214</p> | <p>1 of what was produced. 2 Q. Okay. Can we take a look at the 3 exhibit -- I think it should be tab 5 labeled 4 Exhibit 7. 5 My question -- my first question to you is 6 just if you could take a look at it and let me know 7 if you can identify it. 8 (Exhibit 7 marked.) 9 MR. GARMAN (VIA ZOOM): Counsel, 10 what's the "Frazer 86" exhibit designation? 11 MR. THOMPSON (VIA ZOOM): I can make 12 representation on this, Emily. 13 MS. STERN (VIA ZOOM): Yes, go ahead. 14 MR. THOMPSON (VIA ZOOM): This is an 15 exhibit that was used in Mr. Frazer's previous 16 deposition from the Ackerman litigation that was 17 produced to us by the NRA. 18 MR. GARMAN (VIA ZOOM): Thank you. 19 A. Okay. I'm ready. 20 Q. Okay. Do you -- can you -- do you 21 recognize this document as a report of the audit 22 committee of the NRA? 23 The report is dated April 29, 2019, and it 24 reflects activities by the audit committee beginning 25 in February 2019.</p> <p style="text-align: right;">Page 216</p> |
| <p>1 goods, to the extent that that could be gauged. 2 Q. And you, I think, said oral. So are there 3 any documents reflecting the efforts to make a 4 determination as to whether the terms of these 5 transactions were fair and reasonable and in the 6 best interest of the NRA? 7 A. In at least some instances there would be 8 documents which I -- I, as counsel, directed to be 9 compiled to inform my -- inform my analysis and 10 presentation of these. 11 Q. And do you have such documents in your 12 possession? 13 A. I do. 14 Q. And who compiled them for you? 15 A. Depending on -- depending -- it would 16 depend on the transaction, who I thought would be in 17 a position to conduct an analysis with respect to 18 each of the related parties. 19 Q. And do you -- did you produce those 20 documents to the New York Attorney General's office 21 in its investigation? 22 A. I don't know. 23 Q. Who would know the answer to that 24 question? 25 A. I believe the Brewer firm would be aware</p> <p style="text-align: right;">Page 215</p> | <p>1 A. Yes. 2 Q. Okay. And just -- this is a fairly 3 lengthy report. This includes transactions that 4 were also considered -- does this report include 5 transactions that were also considered as part of 6 the compliance review concerning transactions 7 involving potential conflicts of interest or 8 related-party transactions? 9 MR. GARMAN (VIA ZOOM): Objection to 10 form. 11 A. Yes. 12 Q. Okay. And just focusing on those 13 transactions, what do you recall was presented -- 14 what information was presented to the audit 15 committee to allow them to evaluate those 16 transactions to determine whether they were fair and 17 reasonable and in the best interest of the NRA? 18 A. (Reviewed document.) With respect to the 19 related-party transactions here, I don't recall any 20 written materials being presented. There -- there 21 may have been, in fact, you know, certainly were 22 written materials presented on some other issues but 23 not on the related-party transactions. 24 Q. Okay. And the -- who -- who presented 25 information to the audit committee on the</p> <p style="text-align: right;">Page 217</p> |

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| <p>1 transactions that raised the question of conflicts 2 of interest and related-party transactions? 3 A. Sure. And -- and please bear with me. 4 It's a little slower because they aren't separated 5 in those categories. 6 Q. Yeah, I understand. 7 A. I know that I did, and I don't recall who 8 else may have -- who else may have presented -- 9 Q. What -- 10 A. -- if anyone. 11 Q. Which transactions did you present 12 information concerning? 13 A. You know, I don't specifically remember, 14 but again, just with respect to the related parties, 15 I remember speak -- presenting or speaking about all 16 or -- all or most of them. 17 Q. And what information do you use to inform 18 your presentation that these transactions were fair 19 and reasonable and in the best interest of the NRA? 20 A. As with the previous report, I would have 21 spoken with -- 22 MR. GARMAN (VIA ZOOM): Hold on. If 23 this is work product on advice you're giving, I 24 instruct you not to answer. If this is simple -- if 25 these are simple facts that you gathered, you can</p> <p style="text-align: right;">Page 218</p> | <p>1 or the board meeting itself. 2 Q. Mr. Frazer, are you going to answer the 3 question? 4 A. So I'm going to answer in general terms, 5 as I think I did on the previous report or reports, 6 that, you know, what I would do in general was to 7 talk to the responsible individuals overseeing the 8 performance of any particular contract or consultant 9 or program and discuss with them what -- what 10 factors went into it, what was -- what value was 11 derived, what was, you know, whether there were any 12 other options, what the -- what the market would -- 13 what the market would support, you know for other 14 vendors and so forth, just like the previous 15 meetings. 16 Q. Do you remember in particular doing that 17 with respect to any of the transactions that are 18 reflected in Exhibit 7? 19 A. Yes. 20 Q. And do you have documents that would 21 reflect that -- that inquiry? 22 A. Yes. Yes, for at least some of them, at 23 least one of them. 24 Q. Did you consider or anyone else consider 25 alternative transactions?</p> <p style="text-align: right;">Page 220</p> |
| <p>1 testify. 2 A. Okay. 3 MS. STERN (VIA ZOOM): Are you -- 4 A. So -- 5 MS. STERN (VIA ZOOM): Wait. I just 6 want to be clear. 7 Are you -- after we have received 8 these documents in an investigation after we have 9 been testifying -- your client has been testifying 10 about them are now suggesting that he shouldn't 11 answer the questions as to what the basis of which 12 the audit committee made a determination -- 13 MR. GARMAN (VIA ZOOM): No. 14 MS. STERN (VIA ZOOM): -- whether 15 these were compliant? 16 MR. GARMAN (VIA ZOOM): No. You asked 17 a specific question about what he did in your last 18 question to gather information. And he is the 19 lawyer, and so the work product that he gathered 20 may -- it may be work product. I'm not sure if the 21 answer to that is yes, but I'm drawing a distinction 22 because the specific question was what he in his 23 capacity as general counsel undertook to provide 24 certain advice. That's the distinction I'm drawing. 25 I'm not commenting on the materials provided to you</p> <p style="text-align: right;">Page 219</p> | <p>1 A. Yes, in at least one or more instances. 2 Q. And what instances are you referring to? 3 A. One where I recall -- so let me back up a 4 moment here. One -- actually could I -- could I -- 5 you know, I want to -- I want to answer, but I want 6 to confer with counsel to -- to make sure I don't 7 inadvertently waive something here. 8 MS. STERN (VIA ZOOM): Go ahead. 9 THE VIDEOGRAPHER (VIA ZOOM): Going 10 off the record. The time is 17:19 p.m. 11 (Recess 5:19 p.m. to 5:23 p.m.) 12 THE VIDEOGRAPHER (VIA ZOOM): Going 13 back on the record. The time is 17:23 p.m. 14 MR. GARMAN (VIA ZOOM): So, Counsel, 15 we'll ask the question to be repeated back to us, but 16 we believe that Mr. Frazer can answer objective 17 factual answers to the question you asked up to -- 18 and he's going to testify up to where it would become 19 legal advice, but I think it was a factual question. 20 MS. STERN (VIA ZOOM): I believe so. 21 Okay. Thank you. 22 MR. GARMAN (VIA ZOOM): Again, I'm not 23 trying to speak; I'm trying to be helpful. 24 MS. STERN (VIA ZOOM): Okay. 25 Michelle, can you read it back. Just what you read</p> <p style="text-align: right;">Page 221</p> |

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| <p>1 back to me would be helpful. 2 (Record read.) 3 MR. GARMAN (VIA ZOOM): Yes, so answer 4 the question to the extent it's factual inquiries 5 and -- and factual recitations. 6 A. Okay. So the one that I'm thinking of in 7 particular here is the -- it's resolution Roman 8 numeral X relating to Peacemaker National Training 9 Center. Peacemaker is a shooting range in West 10 Virginia where we have had -- held various major 11 matches. 12 And I recall a conversation sometime prior 13 to this date -- let me back up a moment. We 14 actually -- we were actually being abundantly 15 cautious here because as the resolution states, we 16 don't actually even think that the individual who 17 employed Peacemaker was qualified as a key employee 18 under any relevant definition. So we're just -- 19 we're being very careful and -- and looking at it 20 anyway. 21 And I recall a -- I recall having a 22 discussion with some of the relevant staff on the 23 operational side about whether we had -- you know, 24 whether there was any -- any other range where this 25 type of match could be held. And the answer was</p> <p>Page 222</p> | <p>1 Q. And where does the audit committee 2 secretary maintain records of the audit committee 3 meetings? 4 MR. GARMAN (VIA ZOOM): Objection to 5 form. 6 A. I don't know. 7 Q. And who would know the answer to that? 8 A. Whoever was the audit committee secretary 9 at the time. 10 Q. Okay. Is the NRA currently paying any 11 legal fees for Marion Hammer in connection with any 12 lawsuits or investigations concerning her? 13 MR. GARMAN (VIA ZOOM): Counsel, could 14 you draw a distinction -- I don't know that the 15 answer changes, but could you draw a distinction 16 between pre- and post-petition for my benefit? 17 Q. Okay. I believe that -- that you, 18 Mr. Frazer, testified, and I believe it was at the 19 341, but it could have been at the 30(b)(6) about 20 payments to a law firm concerning -- that is 21 representing Marion Hammer in connection with a 22 lawsuit pending against her. 23 I believe the firm is Bajo Cuva; is that 24 right? 25 A. Right, but it's not a lawsuit against her.</p> <p>Page 224</p> |
| <p>1 that this was a -- you know, this is an unusually 2 good facility given its proximity to major airport, 3 motels, and the fact that it had, you know, a bunch 4 of different types of ranges all in a fairly compact 5 area for shooting different kinds of firearms. 6 Q. And are there any other transactions that 7 were reflected in Exhibit 7 that you recall doing a 8 consideration of alternatives? 9 A. No, although I would -- you know, as a 10 general point on that subject, I note we were 11 looking at a lot of kind of highly unique goods. 12 There's only one Ted Nugent, for example. 13 Q. And the documentation reflecting the 14 committee's consideration, does the audit committee 15 maintain documentation other than what's reflected 16 in these three reports that we have looked at 17 Exhibit 5, 6, and 7, which reflect the review of 18 these transactions? 19 A. I don't know. 20 Q. And who would know the answer to that 21 question? 22 A. The audit committee secretaries. 23 Q. Okay. Whoever was the secretary at the 24 time of that particular meeting; is that right? 25 A. Right. Right. Yeah.</p> <p>Page 223</p> | <p>1 It's -- it's litigation by her, and -- and the 2 primary case there has -- has ended. 3 Q. And -- okay. So the -- the lawsuit that 4 she commenced, did the board approve payment of her 5 legal fees in that matter? 6 A. No. 7 Q. Who did? 8 A. I don't recall all of the discussions but 9 I was certainly involved in that. 10 Q. Who else was involved in those 11 discussions? 12 A. We had discussions with colleagues in 13 the -- in the Office of General Counsel. 14 Q. And do you know how much the NRA paid to 15 cover the legal fees for Ms. Hammer in that action? 16 A. No, I don't. 17 Q. Who would know the answer to that? 18 A. The financial staff would be -- you know, 19 would know payments that are made. 20 Q. Who was responsible for overseeing those 21 legal fees? 22 A. Those invoices came to me. 23 Q. And did you -- did you monitor those 24 proceedings? 25 A. I did.</p> <p>Page 225</p> |

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| <p>1 Q. And -- and why was the NRA paying those 2 legal fees? 3 A. Our -- I'm going to -- I'm going to be 4 careful here because of privilege issues. 5 Q. Was the NRA a party in that lawsuit? 6 A. The NRA was not a party in the suit, no. 7 Q. Okay. So I guess -- can you answer my 8 prior question? 9 MR. GARMAN (VIA ZOOM): What was the 10 question again? 11 MS. STERN (VIA ZOOM): Michelle, can 12 you -- it's the prior question. 13 (Record read.) 14 MR. GARMAN (VIA ZOOM): I think she's 15 asking whether it was contractual -- I think -- can 16 we -- can we confer? 17 THE WITNESS (VIA ZOOM): Sure. 18 THE VIDEOGRAPHER (VIA ZOOM): Going 19 off the record. The time is 17:31 p.m. 20 (Recess 5:31 p.m. to 5:35 p.m.) 21 THE VIDEOGRAPHER (VIA ZOOM): Going 22 back on the record. The time is 17:35 p.m. 23 MR. GARMAN (VIA ZOOM): So I -- you 24 can answer the question of the factual objective 25 basis for the answer to the question but instruct you</p> <p style="text-align: right;">Page 226</p> | <p>1 provision in front of me. 2 Q. And does that request require board 3 approval? 4 A. I believe for indemnification -- I believe 5 that process requires the board approval. 6 Q. And you yourself -- did you yourself seek 7 indemnification in connection with the New York 8 Attorney General action? 9 A. Yes. 10 Q. And what was the process that you 11 followed? 12 A. It was a -- I'm trying to remember. 13 THE WITNESS (VIA ZOOM): Actually, may 14 I -- may I confer with Mr. Fleming? 15 MR. FLEMING (VIA ZOOM): Yes. 16 MS. STERN (VIA ZOOM): Wait. You're 17 concerned that this is a privileged question? I'm 18 asking you just what requests that you made of the 19 NRA for indemnification, and I'm perplexed where the 20 privilege is. 21 MR. FLEMING (VIA ZOOM): He hasn't 22 indicated privilege, but he has indicated some 23 concern that he would like to talk about with his 24 counsel. 25 MS. STERN (VIA ZOOM): Okay. But</p> <p style="text-align: right;">Page 228</p> |
| <p>1 to stop at the point that it invades work product or 2 the attorney-client privilege. 3 THE WITNESS (VIA ZOOM): Okay. 4 MR. GARMAN (VIA ZOOM): So go ahead. 5 A. Okay. Can we -- so can you -- just for 6 efficiency, I'll restate it. I think your question 7 was why the NRA chose to pay these legal fees for 8 representation for Ms. Hammer as a plaintiff in this 9 case? 10 Q. Yes. 11 A. The -- the reason that we chose to do that 12 was that she had faced -- she, like other people 13 associated with the NRA, had faced, you know, 14 extreme harassment, threats, and so on. In her 15 case, it was cyber harassment, threatening messages 16 sent to her by email. 17 And we believed it was in the best 18 interest of the NRA as a whole to take action to 19 deter such conduct that might affect others -- 20 others in the future. 21 Q. What is the process for indemnifying 22 directors under the bylaws? 23 A. So the process under the bylaws is to -- 24 is for the individual seeking indemnification to 25 submit a request for approval. I don't have the</p> <p style="text-align: right;">Page 227</p> | <p>1 there's -- we're, you know, long into this day, and 2 I'm trying -- there are other counsel that have 3 questions of this witness, and it is inappropriate to 4 confer with counsel unless it's a matter of a 5 question of privilege. 6 MR. FLEMING (VIA ZOOM): I mean, 7 Emily, I appreciate that it's taking a long time but 8 it is the general counsel. The day was predictably 9 fraught with possibilities for, you know, implicating 10 privilege. So I think everyone has approached this 11 in a constructive way. 12 MS. STERN (VIA ZOOM): They have, and 13 I would like to go off the record because I don't 14 want this time discussing this to go against mine or 15 anyone else's time. 16 MR. FLEMING (VIA ZOOM): Sure. 17 THE VIDEOGRAPHER (VIA ZOOM): Going 18 off the record. The time is 17:39 p.m. 19 (Recess 5:39 p.m. to 5:43 p.m.) 20 THE VIDEOGRAPHER (VIA ZOOM): Going 21 back on the record. The time is 17:43 p.m. 22 Q. Mr. Frazer, have you had the opportunity 23 to consult with your counsel? 24 A. Yes, I did. 25 Q. Okay. And that was Mr. Fleming?</p> <p style="text-align: right;">Page 229</p> |

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| <p>1 A. That's correct.</p> <p>2 MS. STERN (VIA ZOOM): Okay. And,</p> <p>3 Michelle, could you please read back the last</p> <p>4 question.</p> <p>5 (Record read.)</p> <p>6 A. My counsel -- my counsel that I retained</p> <p>7 shortly after the New York AG litigation was</p> <p>8 instituted contacted the NRA and, you know, sought</p> <p>9 indemnification for me.</p> <p>10 Q. And is it your understanding that the</p> <p>11 board approved that indemnification?</p> <p>12 A. No.</p> <p>13 MS. STERN (VIA ZOOM): Okay. I have</p> <p>14 no further questions. Thank you very much,</p> <p>15 Mr. Frazer, for your patience today, and I pass the</p> <p>16 witness.</p> <p>17 THE WITNESS (VIA ZOOM): Thank you.</p> <p>18 MR. GARMAN (VIA ZOOM): Thank you.</p> <p>19 MS. STERN (VIA ZOOM): I believe</p> <p>20 Mr. Gruber was going to question you next.</p> <p>21 MR. GRUBER (VIA ZOOM): Are you -- I</p> <p>22 apologize. Are you ready? Are y'all prepared to</p> <p>23 stay around for another hour and a half or whatever</p> <p>24 it is?</p> <p>25 MR. GARMAN (VIA ZOOM): Yes.</p> <p style="text-align: right;">Page 230</p> | <p>1 be appointed.</p> <p>2 Q. Okay. Thank you.</p> <p>3 And as far as the dismissal, do you</p> <p>4 understand that the test is whether the petition was</p> <p>5 filed in good faith?</p> <p>6 MR. GARMAN (VIA ZOOM): Objection</p> <p>7 to the extent it calls for a legal -- sorry,</p> <p>8 objection; form.</p> <p>9 A. I understand that that's a -- that that's</p> <p>10 a factor that can be considered, yes.</p> <p>11 Q. But as far as dismissal, isn't that</p> <p>12 essentially the overriding factor? I know there are</p> <p>13 a number of sub factors. But isn't the overriding</p> <p>14 factor that the filing has to have been made in good</p> <p>15 faith?</p> <p>16 MR. GARMAN (VIA ZOOM): Objection;</p> <p>17 form.</p> <p>18 A. I think that's right.</p> <p>19 Q. So -- so would it be fair to say to start</p> <p>20 out that the NRA had a requirement to file the</p> <p>21 Chapter 11 proceeding in good faith?</p> <p>22 MR. GARMAN (VIA ZOOM): Objection to</p> <p>23 form.</p> <p>24 A. Yes.</p> <p>25 Q. So I want to run a hypothetical by you.</p> <p style="text-align: right;">Page 232</p> |
| <p>1 THE WITNESS (VIA ZOOM): I'm good.</p> <p>2 EXAMINATION</p> <p>3 BY MR. GRUBER (VIA ZOOM):</p> <p>4 Q. Okay. Mr. Frazer, my name is Mike Gruber.</p> <p>5 I think we both heard each other's names probably in</p> <p>6 the past.</p> <p>7 I would like to, first of all, see if we</p> <p>8 can come to some common understanding. I don't</p> <p>9 think we're going to agree on what the outcome</p> <p>10 should be of this process, but could we at least</p> <p>11 determine whether we're -- we're open to playing on</p> <p>12 the same field.</p> <p>13 So do you understand the issues that are</p> <p>14 going to be presented at the hearing? I think</p> <p>15 there's two -- two motions.</p> <p>16 Are you familiar with the issues that</p> <p>17 are -- that are going to be heard in the next couple</p> <p>18 weeks?</p> <p>19 A. Yes, I am.</p> <p>20 Q. Okay. And what do you -- what do you</p> <p>21 think the -- I'll say two issues.</p> <p>22 What do you think the two main issues are?</p> <p>23 A. The two main issues are whether the NRA's</p> <p>24 petition for reorganization should be dismissed or,</p> <p>25 alternatively, whether a trustee or examiner should</p> <p style="text-align: right;">Page 231</p> | <p>1 What if somebody in the mail room had -- out of</p> <p>2 revenge, making mail room wages and possibly feeling</p> <p>3 like they weren't being treated fairly, had taken a</p> <p>4 form petition and filed it on behalf of the NRA,</p> <p>5 would that be a good faith pleading?</p> <p>6 MR. GARMAN (VIA ZOOM): Objection to</p> <p>7 form.</p> <p>8 A. No, it wouldn't.</p> <p>9 Q. And if you did the same thing, if you</p> <p>10 decided that you're smarter than everybody else at</p> <p>11 the NRA and you don't like the way things are going,</p> <p>12 you completed the form, filled it out correctly,</p> <p>13 signed it as an attorney, and filed it, would that</p> <p>14 be in good faith?</p> <p>15 MR. GARMAN (VIA ZOOM): Objection to</p> <p>16 form.</p> <p>17 A. As an attorney -- I'm sorry. I'm puzzled.</p> <p>18 I'm pausing and I'm smiling because as an attorney,</p> <p>19 I know everything I file has to be in good faith,</p> <p>20 right.</p> <p>21 Q. I'm glad you mentioned that.</p> <p>22 But if it was just your idea and possibly</p> <p>23 with ill motives that you -- you weren't happy with</p> <p>24 anybody else's decisions and you were going to</p> <p>25 strike out on your own while still a member of the</p> <p style="text-align: right;">Page 233</p> |

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| <p>1 NRA as far as, you know, working for them, maybe not 2 for long if you did it this way, but would you agree 3 that that would not be a good faith pleading if you 4 just did it because you wanted to do it and you 5 signed it on behalf of the NRA without anybody else 6 okaying that? 7 Would that be a bad faith pleading? 8 MR. GARMAN (VIA ZOOM): Objection to 9 form. 10 A. Yeah, I think that would be bad faith. 11 Q. Would you agree that -- and I think it 12 kind of showed up a hypothetical. I didn't mean to 13 be facetious. 14 But would you agree that one of the issues 15 in determining whether a petition, any petition, but 16 let's -- specifically a Chapter 11 petition in 17 bankruptcy, part of the -- the basis of the good 18 faith is that it was authorized by the organization 19 in question. 20 Would you say that's true? 21 MR. GARMAN (VIA ZOOM): Objection to 22 the form of the question. 23 A. Yes. 24 Q. Is -- to your understanding as general 25 counsel of the NRA and secretary to the board of</p> <p style="text-align: right;">Page 234</p> | <p>1 constitute the special litigation committee. 2 Q. I believe you said -- and I don't recall 3 which this is. So the only thing about that that I 4 would like to ask you -- I appreciate the answer. 5 I believe you said the employment 6 agreement was approved by the board. And again, I'm 7 not asking a legal question about, you know, what -- 8 what constitutes a board approval. 9 But I am asking, was the employment 10 agreement adopted by the full board of directors or 11 a -- the executive committee or a subgroup of the 12 board of directors? 13 A. It was adopted by the full board. 14 Q. Okay. And from what I understood earlier, 15 I think there was this discussion there were three 16 different things that came together, and those three 17 things created the authority to file the petition in 18 bankruptcy; is that correct? 19 I'm recalling what you said, so you can 20 correct me if I'm wrong. 21 MR. GARMAN (VIA ZOOM): I'm going to 22 object to the form of the question. 23 But if you understood it, you can 24 answer. 25 A. So I think you're asking about my comment</p> <p style="text-align: right;">Page 236</p> |
| <p>1 directors and individually, to your understanding, 2 was the -- was the petition for Chapter 11 filed in 3 good faith? 4 MR. GARMAN (VIA ZOOM): Objection to 5 form of the question. 6 A. Yes, it was. 7 Q. All right. And was it authorized by the 8 proper authority that was required to do so at the 9 NRA? 10 A. Yes, we believe it was. 11 Q. And -- and what -- could you tell me what 12 authority it was that -- that authorized the filing 13 of the petition? 14 A. So it was under the authority of Wayne 15 LaPierre as the executive president who as EVP has 16 the authority to manage the organization and then he 17 also has an employment contract adopted by the board 18 which specifically authorizes him to restructure and 19 reorganize the organization. And he also works 20 under the guidance of the board officers who 21 constitute the special litigation committee. 22 Q. I'm sorry, I missed the last part. 23 A. I'm sorry. And -- and Mr. LaPierre also 24 operates under the supervision of the board 25 officers, president and two vice presidents, who</p> <p style="text-align: right;">Page 235</p> | <p>1 or my answer that the authority -- that Wayne 2 LaPierre had the authority to file you know for 3 several reasons and essentially that he had the 4 authority to file -- he had the authority to file 5 because, you know, not only does he manage the -- 6 manage the affairs of the Association under the 7 bylaws, but he also had an employment contract 8 approved by a majority of the board members present 9 and voting which authorizes him to restructure and 10 reorganize. 11 And then and then he also did so under the 12 aegis of the special litigation committee which 13 adopted a resolution approving -- approving the 14 filing. 15 Q. And -- and what I want to ask is each one 16 of those situations you're talking about, in the 17 employment agreement, does it specifically say that 18 he is authorized, generally or at a specific time, 19 to file a Chapter 11 petition in bankruptcy? 20 MR. GARMAN (VIA ZOOM): Objection to 21 the form. 22 A. It does not. 23 Q. And did the special committee resolution 24 specifically say that Mr. LaPierre or anyone else at 25 the NRA could at a certain time or -- or generally</p> <p style="text-align: right;">Page 237</p> |

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| <p>1 when -- when they chose to file a Chapter 11 2 petition in bankruptcy? 3 MR. GARMAN (VIA ZOOM): Objection to 4 form. 5 A. Well, which resolution are you referring 6 to? 7 Q. Okay. So let's talk about that. I 8 thought there was a special -- what is it, the 9 special litigation committee? Is that -- 10 A. Right. 11 Q. Is that the group? 12 Okay. So the special litigation -- and 13 we'll look at some documents specifically, but 14 special litigation committee, I thought, authorized 15 something having to do with existing litigation and 16 potential conflicts coming up. 17 Is that one of the things they did? 18 MR. GARMAN (VIA ZOOM): Objection to 19 form. 20 A. So I -- again, I'm not a hundred percent 21 sure which -- which -- exactly which resolution 22 you're referring to. If you're referring to the 23 resolution by the board that formalized the creation 24 of the -- of the committee, then that resolution did 25 specifically refer to the need to address conflicts.</p> <p style="text-align: right;">Page 238</p> | <p>1 A. That's correct. 2 Q. And it is not a -- the executive committee 3 of the board resolution, is it? 4 A. No, it's not. 5 Q. So having gone through all that, we -- we 6 now know that the full board of directors -- and I'm 7 not saying they're required to. 8 But we are -- have concluded, I believe, 9 that the full board of directors did not do a 10 specific resolution that stated that the NRA, 11 through its officers, could at a specific time or 12 generally over time -- over a period of time at some 13 point in time file a Chapter 11 bankruptcy petition; 14 is that correct? 15 A. Yes, that's correct. 16 Q. And a -- the executive committee of the 17 board of directors of the NRA did not pass a 18 resolution specifically stating that the officers 19 immediately or at some point in time could file a 20 Chapter 11 petition in bankruptcy; is that correct? 21 A. Yes, that's correct. 22 Q. Okay. Is one of the ways that a 23 Chapter 11 petition, you know, could be authorized 24 is to have the full -- for the NRA to -- well, for 25 the NRA.</p> <p style="text-align: right;">Page 240</p> |
| <p>1 Q. Okay. And then did that resolution -- 2 because we have -- we have talked about two things 3 that didn't specifically address a filing of a 4 Chapter 11 bankruptcy petition, right? 5 Now, did the resolution you're talking 6 about now -- and I appreciate you describing it the 7 way you have -- did it specifically state that 8 Mr. LaPierre or anyone else at the NRA could file a 9 Chapter 11 bankruptcy petition? 10 A. So the board adopted resolution -- again, 11 making sure we're talking about the same resolution, 12 the board adopted resolution creating the 13 committee -- or -- or formalizing the committee 14 which -- 15 Q. Yeah. 16 A. -- did not specifically refer to authority 17 to file Chapter 11. 18 Q. Okay. And then you're saying there's 19 another one -- and I think I know what you're 20 talking about. 21 And you're saying there is another 22 resolution -- which I just wanted to get the title, 23 Resolution Authorizing Chapter 11 Reorganization and 24 Related Retention of Counsel. 25 This is not a board resolution, is it?</p> <p style="text-align: right;">Page 239</p> | <p>1 Would one way to accomplish what you would 2 consider an effective authorization to do a 3 resolution of a full board and -- and grant the 4 officers of the company the ability to go file a 5 Chapter 11 petition? 6 Is that one way of doing it? 7 MR. GARMAN (VIA ZOOM): Object to the 8 form of the question. 9 A. So just to make sure I understand -- 10 Q. Please. 11 A. -- your question, I'll restate it and 12 please tell me if I misstated it. 13 Q. Okay. 14 A. You're saying would it be effective for a 15 resolution of the full -- would it be effective if a 16 resolution of the full board were adopted that 17 specifically authorized the filing? 18 Q. Yes, would -- would that be a way of going 19 about the same thing that was accomplished 20 eventually? 21 MR. GARMAN (VIA ZOOM): And I'll 22 object to the form of my client's question. 23 Q. All right. Now we're okay with each 24 other. 25 THE WITNESS (VIA ZOOM): You're</p> <p style="text-align: right;">Page 241</p> |

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| <p>1 objecting to your client's memory. 2 A. The -- yes, a resolution by the full board 3 authorizing the filing would be effective. 4 Q. Okay. And would -- and this is -- I don't 5 really know the answer to this. 6 So would it be effective if instead of the 7 way it was done or having the full board do it, 8 would it be effective if the executive committee of 9 the board of directors had authorized something of 10 this magnitude to be done by the officers of the 11 company? To your understanding, would that be 12 effective? 13 MR. GARMAN (VIA ZOOM): Object to the 14 form of the question. 15 A. You know, I haven't analyzed that, so I 16 have to say I don't know. 17 Q. Okay. Thank you. 18 Would it be a more -- a clear possibly no 19 if -- if my hypothetical is: Could the executive 20 committee of the board of directors of the NRA, 21 without consulting the full board, pass a resolution 22 allowing the officers of the company to file a 23 Chapter 11 petition? 24 MR. GARMAN (VIA ZOOM): Object to the 25 form of the question.</p> <p style="text-align: right;">Page 242</p> | <p>1 I'm going to instruct you not to answer if it's 2 subject to privilege. 3 A. Yeah, I'm not -- I'm not -- I'm going to 4 respectfully decline to answer on the basis that 5 invades attorney-client privilege. 6 Q. I am shocked. No. 7 And I appreciate y'all are working with us 8 here. I just swallowed my water wrong. 9 So the issue that I would like to present 10 to you is that the NRA, would you agree, has sought 11 relief from the bankruptcy -- from the bankruptcy 12 court. 13 Would you agree that that's a fair 14 statement? 15 A. Yes. 16 Q. And would you agree that as part of 17 staying in bankruptcy -- and let's take the burden 18 out of it, but the Court is going to have to find 19 that there was a good faith filing; isn't that 20 correct? 21 MR. GARMAN (VIA ZOOM): Object. Well, 22 it calls for a legal conclusion that -- respectfully, 23 I do disagree with that. It's a negative. It can't 24 be filed in bad faith but the law is pretty -- isn't 25 that it requires good faith.</p> <p style="text-align: right;">Page 244</p> |
| <p>1 A. Again, I have to say I don't know. 2 Q. Okay. And don't tell me -- this is -- 3 this is an easy instruction. Don't tell me whether 4 this happened or not, but was there a reason that 5 you can think of not to have the full board vote on 6 a resolution to authorize a bankruptcy petition? 7 MR. GARMAN (VIA ZOOM): Object to the 8 form of the question. 9 Counsel, you're asking if there's a 10 hypothetical reason? 11 MR. GRUBER (VIA ZOOM): I'm just 12 asking -- I'm asking -- no. If -- and I don't want 13 to know, if there was, what it is. But I am 14 asking -- and I think I'm entitled to ask -- is there 15 a reason that the full board did not pass a 16 resolution to -- to go into bankruptcy. 17 MR. GARMAN (VIA ZOOM): So I'm just 18 going to reiterate my objection. 19 THE WITNESS (VIA ZOOM): And what was 20 your objection? 21 MR. GARMAN (VIA ZOOM): Just to the 22 form. 23 A. So the answer is yes. 24 Q. Okay. All right. What's the reason? 25 MR. GARMAN (VIA ZOOM): Well, if --</p> <p style="text-align: right;">Page 243</p> | <p>1 So can we restate the question? 2 Q. Let me ask this. I can do that. 3 Is it true that the NRA will have to 4 demonstrate that it had authority to file the 5 petition in bankruptcy to avoid a finding of bad 6 faith? 7 MR. GARMAN (VIA ZOOM): Object to the 8 form of the question. 9 A. I don't know. 10 Q. You have given me two and you have given 11 me two and I think it's four. 12 Earlier you said that it would not be a 13 good faith pleading if it was not authorized. 14 Do you recall that? 15 A. I do. 16 Q. Okay. And that being the case, if there 17 is no authority, again, would you agree that it 18 would be a bad faith pleading? 19 MR. GARMAN (VIA ZOOM): Object to the 20 extent it calls for a legal conclusion. 21 A. So the same answer as my -- as my previous 22 answer on that, which is I think you do need 23 authority. 24 Q. And if there is no authority for -- we 25 went through the hypotheticals, but I do need to</p> <p style="text-align: right;">Page 245</p> |

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| <p>1 close the gap -- or close the loop. 2 It would be -- it would be a bad faith 3 pleading if you did lack authority; isn't that true? 4 MR. GARMAN (VIA ZOOM): Objection to 5 the form of the question. 6 A. You know, I -- I think so. 7 Q. Okay. Here is -- is there any other place 8 to get the information as to whether the authority 9 was actually granted to file this petition in 10 bankruptcy, the ultimate authority to do so, without 11 finding out what the board as a whole did in their 12 session, what the executive session of the board did 13 without finding out what the special litigation 14 committee did or asking any of the participants in 15 those groups? 16 MR. GARMAN (VIA ZOOM): Counsel, I'll 17 withhold commenting absent our -- I might be of some 18 assistance on this point, but I don't want to speak 19 out of turn. 20 A. I'm sorry but I'm -- 21 MR. GARMAN (VIA ZOOM): Sorry, I don't 22 know if you said anything, sir. 23 MR. GRUBER (VIA ZOOM): I was waiting 24 for an answer unless you want me to do something else 25 with the question, Mr. Frazer.</p> <p style="text-align: right;">Page 246</p> | <p>1 they fit together to do that when -- when they don't 2 trace back to an action by the full board of 3 directors to allow a bankruptcy petition to be 4 filed? 5 MR. GARMAN (VIA ZOOM): I object to 6 the form of the question, and it's going to be 7 speaking. We're not going to walk through our legal 8 theory with you. Those are our pleadings. You can 9 ask facts. You have asked the questions. He has 10 answered them. That's all we have to give you. 11 Q. Okay. The other -- and you said, you 12 know, the appointment of trustee. 13 Are you familiar with the -- are you 14 familiar with the standard for appointing a trustee? 15 A. In general terms, yes. 16 Q. Would you agree that if the Court finds 17 there has been fraud, dishonesty, incompetence, or 18 gross mismanagement before or after the commencement 19 of the bankruptcy case by the debtor, that that 20 would be grounds for appointing a trustee? 21 Do you understand that standard? 22 MR. GARMAN (VIA ZOOM): Object to the 23 form of the question. 24 A. I recall -- I recall some of that -- some 25 of that phrasing. I'm not sure if that's a quote or</p> <p style="text-align: right;">Page 248</p> |
| <p>1 A. I'm not sure I understood the question. 2 Q. Let me -- let me ask it a different way 3 because this is what I'm getting at. 4 How is it possible given the things that 5 y'all have pointed to -- in our opinion, you have 6 pointed at a bunch of bricks and said that's a 7 house, but you won't explain how the house gets 8 built, the bricks being these various components. 9 When we try to put them together, they 10 don't seem to add up to authority that we would 11 think would have to drive, at some point, from the 12 full board of directors. And it would have to be 13 knowing a grant and it would have to be a grant that 14 does have the full board's approval. 15 So what I'm saying is we are going to a 16 hearing. And if y'all won't answer questions about 17 explain how these things fit together and y'all have 18 refused several times. If you won't tell us how the 19 bricks you've pointed to -- and several times today 20 you pointed to these several things together. And I 21 appreciate it. I appreciate you giving us these 22 bricks. 23 Now, can you explain how the things that 24 you have pointed to that you believe show the 25 approval, the ability to file this petition, how do</p> <p style="text-align: right;">Page 247</p> | <p>1 a paraphrase from the statute or a decision, no. 2 Q. It's a quote from the decision, but I'm 3 really testing whether you -- first of all, would 4 you generally accept that that's basically the 5 standard, something along those lines? 6 MR. GARMAN (VIA ZOOM): Object to the 7 form of the question. 8 A. I'm taking your representation that that's 9 a -- that's a statement of the standard. I'm not 10 sure I'm in a position to disagree. 11 Q. So we have got to go into court in 10 days 12 or something like that, and we have got to address 13 the issue, and I think it's very clear that the -- 14 an issue. We have got lots of other things. I 15 don't know if my time has allowed me to get to a lot 16 of them. I may be talking to you at the hearing 17 about a lot of them. 18 But it's pretty clear that we're going to 19 be walking in the hearing and one of the things that 20 we're going to be arguing over and each of us trying 21 to meet whatever burden we have as to the authority. 22 And I will say that as a legal doctrine, I think 23 there's an offensive use doctrine we would like 24 y'all to consider that you -- you shouldn't be 25 allowed to go in and claim authority without</p> <p style="text-align: right;">Page 249</p> |

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| <p>1 allowing us through the general counsel, possibly 2 some other witness, but the general counsel is a 3 pretty big one, testing the legal basis for the 4 authority. It just simply is a question of facts 5 that produces certain legal -- legal consequence. 6 And, again, that's -- that's -- that leads 7 me to ask, again, based on that doctrine -- and I 8 think we have gone through and you can check later 9 on that I think we have gone through the elements 10 and shown that they exist. 11 But I would like to ask you one more time: 12 Will you explain how the various pieces you pointed 13 to -- because I have read and a lot of lawyers that 14 I think are pretty smart have read it. We can't 15 come up with what you claim is the authority. 16 So I will ask you, will you explain to us 17 how all these various things as opposed to a 18 resolution of the board of directors, which would be 19 very simple, and potentially a resolution of the 20 executive committee, if -- if it had been authorized 21 by the board of directors to take this up. 22 So will you explain how the authority from 23 the board of directors or an executive committee 24 appointed by -- has been passed down to the parties 25 that filed this petition?</p> <p style="text-align: right;">Page 250</p> | <p>1 MR. GRUBER (VIA ZOOM): I am asking 2 him factually. 3 MR. GARMAN (VIA ZOOM): You're polling 4 the law and you're going to tell me I'm wrong -- 5 (Simultaneous speaking.) 6 MR. GRUBER (VIA ZOOM): Quit arguing 7 with me. I'll ask him another question. 8 MR. GARMAN (VIA ZOOM): Okay. 9 MR. GRUBER (VIA ZOOM): You did a 10 pretty fair job there. So... 11 Q. Tell me what set of facts that you are 12 aware of that lead you to the conclusion that there 13 has been authorization for the petition in 14 bankruptcy. 15 MR. GARMAN (VIA ZOOM): Object to 16 form. 17 Go ahead. 18 A. The executive vice president's authority 19 to manage the organization under the bylaws; the 20 executive vice president's employment contract 21 approved by the board, which includes the power to 22 restructure, reorganize; and the authorization of 23 the filing by the special litigation committee which 24 was itself created by the board. 25 Q. Okay. All right. Let me ask you this</p> <p style="text-align: right;">Page 252</p> |
| <p>1 Can you please walk us through and explain 2 it? 3 MR. GARMAN (VIA ZOOM): Respectfully, 4 you have asked and answered, but he can give you his 5 four reasons again. 6 MR. GRUBER (VIA ZOOM): When he's 7 saying here are four blocks, you figure out how to 8 put them together, it's really, if you look at it, a 9 lot more than that. 10 But the problem is, we have gone 11 through and we have determined that there's no -- 12 there's -- the board -- or even the executive 13 committees, there's no mention -- and prior testimony 14 you have given also -- there's no mention in those 15 proceedings of the ability to go and file a petition 16 in bankruptcy. 17 Would you agree with that? 18 MR. GARMAN (VIA ZOOM): Of course not. 19 Of course not. You're asking him the ultimate legal 20 question. I'm not going to let him do that. 21 Counsel, if you -- it's our job to 22 fight about the application of the facts to the law. 23 You don't get to ask our general counsel to -- you 24 don't get to ask him that. You can ask him factual 25 questions.</p> <p style="text-align: right;">Page 251</p> | <p>1 question: Would you agree that if there was a 2 question about authority, and at least I think the 3 pleadings and other's testimony have raised some 4 question about it. 5 Would you agree that an attempt to ratify 6 what was attempted or actually done before, would 7 that be some evidence of lack of authority, an 8 attempt to ratify after the fact? 9 MR. GARMAN (VIA ZOOM): Object to the 10 form of the question. 11 A. No, I wouldn't agree with that. 12 Q. Well, isn't the idea of ratification, 13 whatever acts were taken, you ratify them by usually 14 a higher authority to make sure that -- that there 15 was authority for the act in question? 16 MR. GARMAN (VIA ZOOM): Objection. 17 Counsel, you're becoming 18 argumentative. 19 Object to the form of the question. 20 Q. Can you answer that? 21 A. Sorry. I still don't agree with that in 22 all circumstances. 23 Q. Okay. Well, let me ask you this: Was -- 24 was the special meeting that was called of the board 25 of directors that was canceled, wasn't either the</p> <p style="text-align: right;">Page 253</p> |

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| <p>1 main item or the only item on that agenda 2 ratification of the filing of the bankruptcy 3 petition? 4 A. That was not on -- well, first of all, no 5 agenda was ever published, and there was no mention 6 of ratification in the meeting notice that was sent 7 out. 8 Q. Okay. So your testimony is there was 9 no -- the meeting that was called and canceled, 10 there was no thought that that meeting would be used 11 to ratify the filing of the Chapter 11 petition? 12 MR. GARMAN (VIA ZOOM): Object to the 13 question. You misstated his testimony. 14 MR. GRUBER (VIA ZOOM): I'm asking a 15 question. 16 MR. GARMAN (VIA ZOOM): I understand. 17 And you misstated his testimony in asking the 18 question. 19 A. So -- I'm sorry. Can I have the 20 question -- it was a long question. Can I have it 21 read back? 22 Q. Okay. What I -- what I -- it was a new 23 question. 24 Is it -- is it your understanding that the 25 meeting that was -- the board meeting that was</p> <p style="text-align: right;">Page 254</p> | <p>1 Go ahead and answer. 2 A. Okay. And I'm -- and I -- I think I need 3 to respectfully decline on the basis that it invades 4 attorney-client privilege. 5 Q. Okay. Thank you. 6 There's a document that we put in -- or 7 the New York Attorney General put in. I don't -- 8 and I think it was the -- it's our new -- if you 9 look in the -- your documents that we put in, it's 10 our Exhibit 107. Y'all discussed it a little bit 11 earlier today. 12 MR. GARMAN (VIA ZOOM): Counsel, if 13 you want to describe it, maybe we'll find it. None 14 of them are list -- we don't see them listed as 107, 15 but I'm sure I can track it down if I know what it 16 is. 17 MR. GRUBER (VIA ZOOM): So if you go 18 to ours, it would be Exhibit 107. In the Attorney 19 General's, I can describe it as the email on 20 January 15th that Mr. Frazer sent attaching a message 21 from Vice President Wayne LaPierre. 22 MR. GARMAN (VIA ZOOM): Yeah, so I 23 believe it's Exhibit NYAG 2 for today -- or for 24 reference. 25 MR. GRUBER (VIA ZOOM): Okay. And</p> <p style="text-align: right;">Page 256</p> |
| <p>1 called and then canceled was not in any way called 2 to consider ratifying the Chapter 11 filing? 3 MR. GARMAN (VIA ZOOM): Object to the 4 form of the question. 5 A. So the -- think this through. 6 No, the meeting was not called to ratify 7 the -- to ratify the filing. 8 Q. My question was that you're saying that it 9 was not in any way a consideration of calling that 10 meeting. It was not -- and I'll just put it that. 11 It was not in any way a consideration in 12 calling that meeting to ratify the Chapter 11 13 filing? 14 MR. GARMAN (VIA ZOOM): Object to the 15 form of the question, and I -- and I advise you not 16 to speculate. 17 A. Then I -- the answer is that -- I'm sorry, 18 can we restate the last -- restate the last 19 question. Read it back or restate it. 20 Q. It was no part as a consideration for 21 holding the special board meeting that was 22 eventually canceled a week or so ago to ratify the 23 Chapter 11 filing, no consideration at all? 24 MR. GARMAN (VIA ZOOM): Object to the 25 form of the question.</p> <p style="text-align: right;">Page 255</p> | <p>1 that's fine, we'll look at that one -- that copy, but 2 have y'all seen our documents show up or not? 3 MR. GARMAN (VIA ZOOM): I'll be honest 4 with you, there's so much happening, I haven't been 5 through them, so I can only -- I can only answer for 6 myself that I haven't. But... 7 MR. GRUBER (VIA ZOOM): Okay. 8 (Exhibit 107 marked.) 9 Q. So if we look at the -- do you have the 10 January 15, 2021, email and then the attachment? 11 A. I don't think there's an attachment, but 12 it sort of continues in the email. So I think the 13 answer is yes, sir, that Mr. Frazer -- the 14 January 15th email that contains a note from 15 Mr. LaPierre. It's part of the body of the email, 16 but -- so just -- we're on the same page. 17 Q. All right. And did you send that email? 18 A. I did. 19 Q. Okay. Do you -- do you know what the 20 purpose of sending the email out was? 21 A. It was to inform the board of an important 22 development in the Association's legal matters. 23 Q. And is that because they didn't -- they 24 wouldn't know about it otherwise, the board would 25 not?</p> <p style="text-align: right;">Page 257</p> |

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| <p>1 A. Well, you know, I would assume that many 2 or most of them would read it in the -- in the 3 media, but I think as an organization, we have an 4 obligation to inform our board members promptly. 5 Q. Okay. And as you said, if the board of 6 directors saw that there had been a Chapter 11 7 filing, if they saw it in the media or then received 8 this, they would know about it. 9 But as you noted, they wouldn't know about 10 it unless they did one of those two things, right? 11 A. Right. 12 Q. So the full board of directors -- let me 13 reverse the question. 14 The company went into Chapter 11 15 bankruptcy without the full board of directors 16 having any knowledge that of that action taking 17 place until after the fact? 18 MR. GARMAN (VIA ZOOM): Objection to 19 the form. 20 Q. That's correct though, right? 21 A. Yes. 22 Q. And if we read the -- do you see where it 23 says, Dear Board of Directors? 24 Do you see that part under the email, I 25 suppose?</p> <p style="text-align: right;">Page 258</p> | <p>1 But the idea is you don't announce to 2 somebody and say exciting news what you would have 3 done in conjunction with them the day before; isn't 4 that right? 5 MR. GARMAN (VIA ZOOM): Objection to 6 the form. 7 A. Well, not necessarily. 8 Q. Okay. Tell me in what situation -- 9 because I can't quite figure that one out. 10 In what situation would that not be the 11 case? 12 MR. GARMAN (VIA ZOOM): Objection to 13 the form. 14 A. Well, we announce -- we announce news 15 about the NRA to the board regularly. And, you 16 know, it's always going -- we might even use similar 17 phrasing. It's always going to be things that we, 18 you know, think they need to know because they might 19 not otherwise know it. 20 Q. In this case, you're pretty sure that the 21 full word didn't know it until they got this, aren't 22 you? 23 MR. GARMAN (VIA ZOOM): Objection to 24 the form. 25 A. Yes.</p> <p style="text-align: right;">Page 260</p> |
| <p>1 A. I do. 2 Q. And it says, I am pleased announce some 3 exciting news about the NRA. 4 Isn't that right? 5 A. Yes. 6 Q. And would you agree that that language is 7 consistent with the board of directors not having 8 news of the bankruptcy filing prior to the message? 9 MR. GARMAN (VIA ZOOM): Objection to 10 the form. 11 A. Yes. 12 Q. Okay. You wouldn't sit there and -- I'm 13 sorry, are you married, Mr. Frazer? 14 A. I am. 15 Q. Okay. You wouldn't -- you wouldn't get 16 engaged and then the next day, you know, send a note 17 to your wife saying, hey, exciting news, we got 18 engaged yesterday, right? 19 I mean, that doesn't make any sense; is 20 that correct? 21 MR. GARMAN (VIA ZOOM): I'll object. 22 But go ahead. 23 A. It's hard to visualize this. 24 Q. That's the best I could do on short 25 notice.</p> <p style="text-align: right;">Page 259</p> | <p>1 Q. I got to tell you, I just want to make 2 sure that -- who is the executive council? 3 I just want to make sure that that's not 4 another way of saying executive committee of the 5 board. 6 Is that a separate group than the 7 executive committee of the board? 8 A. Yes, it is. It's a -- and it's the 9 subject of confusion sometimes, so I'm happy to -- 10 happy to straighten it out. But the executive 11 council is basically sort of an elder statesman body 12 of mostly former board members, former officers, 13 past presidents and so on who are elected for life 14 as -- in an advisory capacity. They can attend 15 board meetings but they can't vote. 16 Q. Okay. Can I point you -- in about the 17 middle of the message part, there's a statement 18 about "streamline legal and financial affairs." 19 Do you see that, that that's one of the 20 reasons for the Chapter 11? 21 A. Is it on the second page? 22 Q. It's between "board of directors" and 23 "strongest financial condition in years." If you go 24 between those two, right about in the middle. 25 A. Can you point me to a heading that it's</p> <p style="text-align: right;">Page 261</p> |

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| <p>1 under?</p> <p>2 Q. What we show is --</p> <p>3 A. Is it on page 2?</p> <p>4 Q. Well, in ours -- we're turning to a fuller</p> <p>5 copy because in ours it's just kind of the email and</p> <p>6 then a short -- a fairly short message.</p> <p>7 A. So you have these headings, like, The</p> <p>8 Battle in New York, Building Our Strengths, and so</p> <p>9 on. Is it under one of -- maybe that would help me</p> <p>10 locate it. That's the -- that's -- LaPierre. He</p> <p>11 looked at something else possibly.</p> <p>12 MR. DRAKE (VIA ZOOM): This is Scott</p> <p>13 Drake. I think it's the last line of the third</p> <p>14 paragraph of the email, board of directors. That may</p> <p>15 be --</p> <p>16 Q. My apologies. They printed something on</p> <p>17 front and back and I asked them not to do that.</p> <p>18 But, yes, I think he's directed you to it.</p> <p>19 So from the "Dear Board of Directors," you</p> <p>20 go down one -- last sentence in the second paragraph</p> <p>21 is where that -- that language appears.</p> <p>22 A. Okay. I found it.</p> <p>23 Q. Okay. And that is legitimate reason for</p> <p>24 going into bankruptcy. That would be a good faith</p> <p>25 reason, would it not?</p> <p style="text-align: right;">Page 262</p> | <p>1 faith attempt -- a bad faith bankruptcy filing if</p> <p>2 that were all?</p> <p>3 My hypothetical, if that were all, is</p> <p>4 that -- is that a bad faith filing?</p> <p>5 MR. GARMAN (VIA ZOOM): Object to the</p> <p>6 form of the question.</p> <p>7 A. And I don't know. It's not an issue I</p> <p>8 have analyzed.</p> <p>9 Q. Okay. Instead of going through -- there</p> <p>10 are about five or six of these things -- but would</p> <p>11 you agree that there was -- there were press</p> <p>12 releases and other things along the same lines</p> <p>13 with -- with basically the same messaging that went</p> <p>14 out around the 15th of January?</p> <p>15 A. Yes.</p> <p>16 MR. GRUBER (VIA ZOOM): Can y'all see</p> <p>17 if y'all can find the Exhibit 76?</p> <p>18 Do they have to refresh?</p> <p>19 I think they'll have to refresh</p> <p>20 something. I have no idea what that means. Personal</p> <p>21 grooming or anything, but you probably have to push a</p> <p>22 button or something.</p> <p>23 MR. GARMAN (VIA ZOOM): Oh, yeah,</p> <p>24 they're all here now.</p> <p>25 Q. All right. It's a miracle.</p> <p style="text-align: right;">Page 264</p> |
| <p>1 MR. GARMAN (VIA ZOOM): Object to the</p> <p>2 form of the question.</p> <p>3 Go ahead.</p> <p>4 A. Yes.</p> <p>5 Q. But let me ask you this: If the -- what</p> <p>6 does "dumping New York" mean?</p> <p>7 You -- you were the one that mailed this</p> <p>8 out. Do you have an understanding of what "dumping</p> <p>9 New York" means?</p> <p>10 MR. GARMAN (VIA ZOOM): Object to the</p> <p>11 form of the question.</p> <p>12 A. It means -- it means as it says in the</p> <p>13 fourth paragraph here, that -- that our hope is that</p> <p>14 a -- you know, that the reorganization will</p> <p>15 ultimately include reincorporation in -- in Texas as</p> <p>16 a friendlier regulatory, political environment,</p> <p>17 friendlier on the Second Amendment issues, and in a</p> <p>18 place that, of course, has major -- many major</p> <p>19 donors, lots of members, good convention facilities,</p> <p>20 and so forth.</p> <p>21 Q. Let me ask you, if -- and I know how y'all</p> <p>22 view the New York situation. But if the -- if the</p> <p>23 main reason for going into Chapter 11 bankruptcy was</p> <p>24 to escape regulatory oversight and litigation with</p> <p>25 the New York Attorney General, would that be a bad</p> <p style="text-align: right;">Page 263</p> | <p>1 MR. GARMAN (VIA ZOOM): You'd like us</p> <p>2 to open Exhibit 76?</p> <p>3 (Exhibit 76 marked.)</p> <p>4 Q. Yeah, would y'all open Exhibit 76.</p> <p>5 A. Okay. We have it.</p> <p>6 Q. So those are leadership quotes. You have</p> <p>7 got four leaders that are listed. Mr. LaPierre is</p> <p>8 one of them and Mr. Brewer's one of them and</p> <p>9 Ms. Meadows and then I can't recall. There was</p> <p>10 somebody else.</p> <p>11 So this is on the website of the NRA; is</p> <p>12 that correct?</p> <p>13 A. Yes.</p> <p>14 Q. And -- and the four leaders -- your --</p> <p>15 your Mount Rushmore for the NRA includes Mr. Brewer</p> <p>16 as one of the four top leaders, would you say, of</p> <p>17 the NRA?</p> <p>18 MR. GARMAN (VIA ZOOM): Objection to</p> <p>19 form.</p> <p>20 Go ahead.</p> <p>21 A. I don't think I agree with that</p> <p>22 characterization. It's talking about people who</p> <p>23 are -- I think it's talking about people who are</p> <p>24 leading this -- leading this particular effort. And</p> <p>25 Mr. Brewer, as -- you know, as key counsel is one of</p> <p style="text-align: right;">Page 265</p> |

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| <p>1 those.</p> <p>2 Q. So let me see. And he's actually giving a</p> <p>3 quote here about illegally weaponized their powers</p> <p>4 and all as far as New York officials.</p> <p>5 Do you see that as part of one of the</p> <p>6 quotes?</p> <p>7 A. Yes, I do.</p> <p>8 Q. So I -- I -- we did offer the amended</p> <p>9 schedule, which you may be familiar with. We added</p> <p>10 up from 10/22/2020 to 1/14/2021, not including</p> <p>11 monies that was passed on to other lawyers, but we</p> <p>12 show \$6,294,000-some-odd for bankruptcy work to</p> <p>13 Mr. Brewer.</p> <p>14 Does that sound about right to you?</p> <p>15 A. I mean, I don't know without reviewing</p> <p>16 underlying documents.</p> <p>17 Q. So like I said, it's in the amended</p> <p>18 schedules. Our exhibit in there 24. I don't know</p> <p>19 if I want to waste a lot of time with it if you'll</p> <p>20 agree that Mr. Brewer was a substantial worker or</p> <p>21 his -- his firm was a substantial part of the</p> <p>22 bankruptcy work that has been done up to this time.</p> <p>23 Would you just agree with that?</p> <p>24 (Exhibit 24 marked.)</p> <p>25 MR. GARMAN (VIA ZOOM): Counsel, can I</p> <p style="text-align: right;">Page 266</p> | <p>1 based on whatever the numbers are in the schedules</p> <p>2 would you agree that the -- Mr. Brewer and the</p> <p>3 Brewer firm were a substantial part of the</p> <p>4 bankruptcy work that has been done to date?</p> <p>5 A. Yes.</p> <p>6 Q. Okay. Could you look at Exhibit 13. That</p> <p>7 should be a transcript with some comments from</p> <p>8 Ms. Rogers.</p> <p>9 MR. GARMAN (VIA ZOOM): Okay. We have</p> <p>10 got Exhibit 13. It's a 50-page transcript.</p> <p>11 (Exhibit 13 marked.)</p> <p>12 Q. If you could go to page 19, and it's</p> <p>13 lines -- you know, line 1. If you could go to line</p> <p>14 1 on page 19, I would appreciate it.</p> <p>15 A. Okay. I'm there.</p> <p>16 Q. And I think if you read that -- one of the</p> <p>17 lawyers is citing that NRA dumping New York in press</p> <p>18 statements. And Ms. Rogers is repeating that and</p> <p>19 says -- she says, We want to be clear that those</p> <p>20 statements as casual, though they were, don't amount</p> <p>21 to an express intent to allude or obstruct the</p> <p>22 particular litigation.</p> <p>23 Would you agree that essentially one of</p> <p>24 the lawyers that is responsible for doing the legal</p> <p>25 work on the bankruptcy is also crafting the PR</p> <p style="text-align: right;">Page 268</p> |
| <p>1 ask you what time reference you're talking about when</p> <p>2 you're talking about --</p> <p>3 (Simultaneous speaking.)</p> <p>4 MR. GRUBER (VIA ZOOM): I'm sorry, go</p> <p>5 ahead.</p> <p>6 MR. GARMAN (VIA ZOOM): I just meant</p> <p>7 do you mean up to the time it was filed or do you</p> <p>8 mean post-petition? The answer could be different.</p> <p>9 MR. GRUBER (VIA ZOOM): Okay. And I</p> <p>10 was just going off of -- off of the -- what's in</p> <p>11 y'all's schedules from 10/22/2020 to 1/14/2021, we</p> <p>12 show \$6,294,000-and-some-odd.</p> <p>13 But to answer your question, the time</p> <p>14 frame I'm asking about would be from October to --</p> <p>15 2020 to January of 2021.</p> <p>16 A. So I'm sorry, I have lost the question</p> <p>17 here.</p> <p>18 MR. GARMAN (VIA ZOOM): So we'll</p> <p>19 acknowledge the size -- we'll acknowledge the size of</p> <p>20 the numbers contained in the schedules and the</p> <p>21 millions of dollars -- millions of dollars is a big</p> <p>22 number. We'll agree to that.</p> <p>23 MR. GRUBER (VIA ZOOM): We can only</p> <p>24 aspire.</p> <p>25 Q. So here is the question I have got. Is</p> <p style="text-align: right;">Page 267</p> | <p>1 message for the NRA?</p> <p>2 Would you agree that that's true?</p> <p>3 MR. GARMAN (VIA ZOOM): Objection to</p> <p>4 the form.</p> <p>5 A. Which -- which lawyer are you referring to</p> <p>6 here?</p> <p>7 Q. Well, the Brewer law firm, let's say,</p> <p>8 categories, very -- very big player in your</p> <p>9 bankruptcy legal work but also messaging for the --</p> <p>10 for the NRA.</p> <p>11 Is the PR -- is the PR group for the NRA?</p> <p>12 MR. GARMAN (VIA ZOOM): Objection to</p> <p>13 the form.</p> <p>14 A. I disagree that they're the PR group for</p> <p>15 the NRA. They provide communications in connection</p> <p>16 with legal matters that they're handling.</p> <p>17 Q. Well, okay, so on this -- and I should</p> <p>18 have been more specific.</p> <p>19 On this specific project, would you agree</p> <p>20 that they're both the PR -- PR group that's shaping</p> <p>21 the message that way and they're also doing a</p> <p>22 substantial amount of the bankruptcy work?</p> <p>23 MR. GARMAN (VIA ZOOM): Objection to</p> <p>24 the form of the question.</p> <p>25 A. No, I would disagree.</p> <p style="text-align: right;">Page 269</p> |

1 Q. Okay.
2 MR. GRUBER (VIA ZOOM): Could I ask
3 the court reporter before I start something new how
4 much time we have left or what is the time left?
5 THE VIDEOGRAPHER (VIA ZOOM): It's --
6 we're at 6 hours and 21 minutes.
7 MR. GRUBER (VIA ZOOM): Okay.
8 THE WITNESS (VIA ZOOM): If we're
9 going to start a new topic, I would like to ask for a
10 short break.
11 MR. GRUBER (VIA ZOOM): Absolutely.
12 Off the clock, I hope.
13 THE VIDEOGRAPHER (VIA ZOOM): Going
14 off the record. The time is 18:39 p.m.
15 (Recess 6:39 p.m. to 6:48 p.m.)
16 THE VIDEOGRAPHER (VIA ZOOM): Going
17 back on the record. The time is 18:48 p.m.
18 Q. On 61, if you would go to page 21 at line
19 10.
20 MR. GARMAN (VIA ZOOM): That page 21
21 of the deposition itself, you know, four pages per
22 page?
23 MR. GRUBER (VIA ZOOM): I'm sorry.
24 That's a good point. Page 21 of the deposition
25 itself.

Page 270

1 MR. GARMAN (VIA ZOOM): Okay.
2 Q. Exhibit line 10 would be a good place to
3 start. Would you mind reading from line 10 on page
4 21 to page 22, line 5, and then I would like to ask
5 you some questions about it.
6 A. (Reviewed document.) I'm sorry. I was
7 reading across, not down.
8 Q. That's a problem.
9 A. I read the full page depositions usually. So
10 starting on line 10, Question: What are your
11 responsibilities as secretary of the organization?
12 Answer: My responsibilities as secretary
13 include coordinating board activities, communicating
14 with the board, facilitating communication with the
15 board, other officers and senior staff, maintaining
16 the minutes and records of committee meetings, you
17 know, supervise. You know, I either administer or
18 supervise the administration of board meetings and,
19 you know, other processes related to the board. I'm
20 the secretary of the executive committee, secretary
21 of the nominating committee and secretary of the
22 committee on elections. Those are all provided in
23 the NRA bylaws.
24 Question: So you're in attendance at
25 board meetings then?

Page 271

1 Answer: Yes.
2 Q. Okay. This has been year since this
3 statement was made in a deposition. Are you still
4 corporate secretary of the NRA?
5 A. Yes.
6 Q. Okay. And would you say generally -- I
7 know there may be a specific instance. But would
8 you say generally that all the things you're talking
9 about, your board activities, are still generally
10 the same?
11 A. Yes.
12 Q. Okay. So did you attend all the board
13 meetings -- did you attend the board meeting, the
14 last board meeting, I believe, right before or
15 sometime before the petition in bankruptcy was
16 filed?
17 A. Yes, I did.
18 Q. Okay.
19 A. Referring to January 7th meeting?
20 Q. Yes. At that meeting, was there any
21 discussion of filing bankruptcy that you recall?
22 A. So -- so I think my -- I think my answer
23 here is -- I think we answered this earlier and I
24 think there were three parts to it. One is in the
25 open sessions there was no discussion of filing

Page 272

1 bankruptcy. In the first executive session, that
2 was a privileged discussion which I can't discuss
3 here. And then the second executive session, I
4 wasn't -- I didn't attend.
5 Q. So I just thought -- did we not cover that
6 when we were talking about the message from Wayne
7 LaPierre and we covered the fact that the board --
8 nobody on the board -- or the board, we said, did
9 not know about the Chapter 11 petition.
10 So you're saying it still may have been
11 discussed in the executive session of the board
12 meeting?
13 MR. GARMAN (VIA ZOOM): Objection to
14 the form of your question.
15 A. I mean, anything could have been discussed
16 in the executive session that I didn't attend.
17 Q. Okay. And I apologize. I did not pick up
18 that you didn't attend that.
19 You attended the full board meeting but
20 not the executive session; is that correct?
21 A. Not the -- not the second executive
22 session. I did attend the first executive session
23 which was a privileged discussion.
24 Q. Okay. That being the case, can you tell
25 me in the first executive session, was there any

Page 273

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| <p>1 discussion of the petition being filed? 2 MR. GARMAN (VIA ZOOM): I'm going to 3 object on privilege grounds. 4 A. Right. I can't -- the first executive 5 session which involved the discussion of the 6 employment contract for Wayne LaPierre was a 7 privileged discussion and, therefore, I have to 8 respectfully decline to recount that. 9 Q. Okay. Could you go to Exhibit 130, and I 10 believe it's your testimony from Monday. And when 11 you get there to Exhibit 130, if you could go to 12 page 322. 13 MR. GARMAN (VIA ZOOM): 322 of the 14 transcript, I assume? 15 MR. GRUBER (VIA ZOOM): Yes. Thank 16 you. 17 (Exhibit 130 marked.) 18 Q. I would be concentrating on lines 10 to 24 19 but y'all do what you need to do to feel 20 comfortable. 21 A. (Reviewed document.) I can see it. I 22 have to lean in a little bit. 23 Q. I don't want to hear about it. I'm going 24 to be 65 tomorrow. I'm not buying. 25 THE WITNESS (VIA ZOOM): Happy Page 274</p> | <p>1 a significant decision for the NRA to make? 2 Mr. Ciciliano: Object to scope. 3 And are you asking him personally? 4 Mr. Mason (via Zoom): I'm asking him as 5 the NRA. 6 Answer: Yes, very important decision. 7 Q. Okay. And would you agree -- go ahead. 8 I'm sorry. Do you have a question or an issue? 9 A. No. I just wanted to see if you wanted me 10 to read anymore. 11 Q. No, I appreciate it. Thank you. 12 Would you agree that going into bankruptcy 13 is one of biggest decisions that a corporation, 14 profit or nonprofit, could make? 15 A. Yes. 16 Q. Do you -- and we'll look at the bylaws 17 here in a second. But do you recall that corporate 18 acts of the Association of such major significance 19 as to warrant action by the full board of directors 20 is mentioned? And we can go look at it in a second. 21 Do you recall that general idea that major 22 decisions shouldn't even be executive committee; 23 they should be the full board? 24 MR. GARMAN (VIA ZOOM): Objection to 25 form of the question. Page 276</p> |
| <p>1 birthday. 2 MR. GARMAN (VIA ZOOM): Happy 3 birthday. 4 MR. DRAKE (VIA ZOOM): Mike, while 5 they review that, do you mind giving the exhibit and 6 page number one more time, please? 7 MR. GRUBER (VIA ZOOM): Yes, I 8 apologize. Okay. So it's Exhibit 130 and it's at 9 page 322, lines 10 to 24. 10 MR. DRAKE (VIA ZOOM): Thank you. 11 A. So 322, lines 10 to 24. 12 Q. Please. 13 A. Okay. 14 Q. Yes, go ahead. Did you have a question? 15 A. So no, just tell me if I'm in the wrong 16 place. So starting on line 10, Question: And now 17 it is seeking to leave New York and reincorporate in 18 Texas, right? 19 Answer: Yes. 20 Question: Do you believe that decision is 21 a major decision for the NRA? 22 Yes. 23 Mr. Ciciliano (via Zoom): Objection to 24 scope. 25 Question: Do you believe that decision is Page 275</p> | <p>1 A. Yes, I do recall a provision to that 2 effect. 3 Q. So can you please look at Exhibit 11? And 4 I'm trying to get you to the bylaws. So it's 5 Exhibit 11, pages 23 to 24. 6 MR. GARMAN (VIA ZOOM): We don't have 7 AMc Exhibit 11. We have 8 and 12. I'll refresh. 8 Hold on. No, it still jumps from 8 to 12. 9 MR. GRUBER (VIA ZOOM): This isn't 10 probably as effective but if I can, under Section 2, 11 powers and duties it says, The executive committee 12 shall exercise all the powers of the board of 13 directors when said board is not in session other 14 than the power to -- and then we're citing section 15 (k) because we think it formulates such other 16 corporate policy decisions or perform corporate 17 activities of the Association of such major 18 significance as to warrant action by the full board 19 of directors. 20 Does that sound right? I mean, you 21 can check it but -- and if you refresh now, 22 apparently it is there so we'll see. That's what I'm 23 being told. 24 MR. GARMAN (VIA ZOOM): It's there 25 now. Page 277</p> |

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| <p>1 (Exhibit 11 marked.)</p> <p>2 Q. Okay. So if you want to go look at</p> <p>3 Section 2, powers and duties and especially section</p> <p>4 (k) which we think is fairly specific.</p> <p>5 A. I do want to note this is not -- this is</p> <p>6 not the current edition of the NRA bylaws.</p> <p>7 Q. Has that particular section changed?</p> <p>8 A. We're going to the executive committee</p> <p>9 section, Article VII?</p> <p>10 Q. Yes.</p> <p>11 A. I don't -- let me look at it just to</p> <p>12 refresh my memory.</p> <p>13 MR. GARMAN (VIA ZOOM): Counsel, do</p> <p>14 you have a page reference?</p> <p>15 MR. GRUBER (VIA ZOOM): I think it's</p> <p>16 on page 23.</p> <p>17 A. Here we go. I found it. Yes. So</p> <p>18 although this is not the current edition of the</p> <p>19 bylaws, I don't believe that the section was amended</p> <p>20 the last time amendments were made back in</p> <p>21 October 2020.</p> <p>22 Q. So let me point out if you can, first</p> <p>23 section, subsection (f). So it's saying that, you</p> <p>24 know, the executive committee can do certain things</p> <p>25 but the exceptions are if you look at section (f),</p> <p style="text-align: right;">Page 278</p> | <p>1 MR. GARMAN (VIA ZOOM): Objection to</p> <p>2 the form of the question.</p> <p>3 A. I don't know that that's necessary.</p> <p>4 Q. Well, wasn't that what y'all have stated</p> <p>5 was anticipated?</p> <p>6 MR. GARMAN (VIA ZOOM): Objection to</p> <p>7 the form of the question.</p> <p>8 A. I don't recall what statement you're</p> <p>9 referring to.</p> <p>10 Q. Okay. And then (k) is formulate such</p> <p>11 other corporate policy decisions or perform</p> <p>12 corporate activities of the Association of such</p> <p>13 major significance as to warrant action by the full</p> <p>14 board of directors.</p> <p>15 Do you see that?</p> <p>16 A. I do.</p> <p>17 Q. And I think we have got you under oath</p> <p>18 talking about both major and significant actions; is</p> <p>19 that correct?</p> <p>20 MR. GARMAN (VIA ZOOM): Object to the</p> <p>21 form of the question.</p> <p>22 A. I don't recall my exact words on those</p> <p>23 subjects.</p> <p>24 Q. Okay. But whatever they are, they are,</p> <p>25 and we have looked at them a minute ago; is that</p> <p style="text-align: right;">Page 280</p> |
| <p>1 would you read that?</p> <p>2 A. Adopt and disseminate a fundamental change</p> <p>3 of view or basic policy or basic organizational</p> <p>4 structure of the Association.</p> <p>5 Q. So is making a fundamental change to basic</p> <p>6 organizational structure, isn't that pretty much the</p> <p>7 same thing as a major reorganization?</p> <p>8 MR. GARMAN (VIA ZOOM): Objection to</p> <p>9 the form of the question.</p> <p>10 A. I'm not sure it is. You know, I would</p> <p>11 have to have analyzed -- analyzed this and I have</p> <p>12 not.</p> <p>13 Q. Okay. So it also says something that</p> <p>14 shouldn't be done by the executive committee but by</p> <p>15 the full board. If you go to (j), Present a</p> <p>16 petition for judicial dissolution or to adopt plans</p> <p>17 of merger, consolidation or nonjudicial dissolution.</p> <p>18 Do you see that?</p> <p>19 A. I think that's (i).</p> <p>20 Q. I'm sorry.</p> <p>21 A. Yeah, I do see that.</p> <p>22 Q. And did y'all intend as part of the move</p> <p>23 from New York domicile or legal presence to Texas</p> <p>24 wasn't a merger and consolidation going to be</p> <p>25 involved?</p> <p style="text-align: right;">Page 279</p> | <p>1 correct?</p> <p>2 A. I think you asked me some questions to</p> <p>3 that effect.</p> <p>4 Q. Can we go to one other resolution, the</p> <p>5 resolution authorizing Chapter 11 reorganization and</p> <p>6 related retention of counsel.</p> <p>7 MR. GARMAN (VIA ZOOM): Can someone</p> <p>8 tell us where that is?</p> <p>9 MR. GRUBER (VIA ZOOM): And I</p> <p>10 apologize. It's Exhibit 1, page 5.</p> <p>11 MR. GARMAN (VIA ZOOM): So Exhibit 1</p> <p>12 is the petition? Yeah, we see it.</p> <p>13 MR. GRUBER (VIA ZOOM): Okay. I find</p> <p>14 it. Is it not attached to the petition?</p> <p>15 MR. GARMAN (VIA ZOOM): Yes, sir, it</p> <p>16 is.</p> <p>17 (Exhibit 1 marked.)</p> <p>18 Q. So page 5 of that group of documents I</p> <p>19 think should be because I think -- yeah, mine are</p> <p>20 font and back.</p> <p>21 Do you recognize this document, resolution</p> <p>22 authorizing Chapter 11 reorganization and related</p> <p>23 retention of counsel?</p> <p>24 A. I do.</p> <p>25 Q. And this document does talk about -- it's</p> <p style="text-align: right;">Page 281</p> |

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| <p>1 a resolution and it does say that it resolves that 2 there is a Chapter 11 reorganization approved; is 3 that correct? 4 MR. GARMAN (VIA ZOOM): Object to the 5 form of the question, but answer if you can. 6 A. So the -- you know, referring to the 7 last -- the last whereas clause on the first page of 8 this resolution -- 9 Q. Right. 10 A. -- says, whereas, in consultation with the 11 special litigation committee, Wayne LaPierre 12 determined that a Chapter 11 reorganization of the 13 NRA, et cetera, et cetera, would have been in the 14 best interest of the NRA. And then, you know... 15 Q. The resolves is covered also? 16 A. Yeah, the first resolved on the next page 17 resolves the commencement of a Chapter 11 18 reorganization proceeding is hereby authorized and 19 directed, yes. 20 Q. Okay. Thank you. And this is signed by 21 Wayne LaPierre; is that correct? 22 A. Yes, it is. 23 Q. And then you have copies signed by -- I 24 have separate copies -- signed by Carolyn Meadows, 25 Charles Cotton and Willes Lee or Willes Lee?</p> <p style="text-align: right;">Page 282</p> | <p>1 Go ahead. 2 A. I disagree with that. The special 3 litigation committee under the resolution that 4 appoints it is expressly described as a committee of 5 the board. 6 Q. Okay. I see. And I apologize. 7 It's not the executive committee of the 8 board, is it? 9 A. No, it's not the executive committee. 10 Q. Okay. My apologies on that. 11 So again, there's either the executive 12 committee or the full board. There's no resolution 13 similar to this one that specifically authorizes -- 14 or let me say specifically mentions Chapter 11 15 bankruptcy filing; is that correct? 16 MR. GARMAN (VIA ZOOM): Objection to 17 the form. 18 A. Yes. 19 Q. Okay. There is a paragraph, the whereas 20 on January 7, 2021 -- I think you were looking at 21 that -- that talks about reorganize or restructure 22 the affairs of the Association. 23 Do you see that? 24 A. You're talking about the first paragraph 25 of the resolution.</p> <p style="text-align: right;">Page 284</p> |
| <p>1 A. Willes, yes. 2 Q. Do you see that? 3 A. I do. 4 Q. Okay. And Mr. LaPierre, is he -- is he 5 the chairman of the board? 6 A. No, he's not. 7 Q. Okay. Who is the chairman of the board? 8 A. Ms. Meadows, the president of the NRA, 9 serves as the board chairman. 10 Q. Okay. So he's signing it and acknowledged 11 and agreed by the special litigation committee and 12 those are the individuals I mentioned, correct? 13 A. Yes. 14 Q. Okay. And again, this is -- you again, 15 had pointed to the employment agreement and the 16 resolution, you know, on that and some -- you 17 pointed to several things. 18 But, again, would you agree of the things 19 you pointed to as kind of the things that show 20 authorization, the only one that mentions Chapter 11 21 dissolution being filed is not from a board 22 committee but from a special litigation committee; 23 is that correct? 24 MR. GARMAN (VIA ZOOM): Objection to 25 the form of the question.</p> <p style="text-align: right;">Page 283</p> | <p>1 Q. Yes, the first whereas. 2 A. Yes. 3 Q. And the last part of that whereas is to 4 reorganize and restructure the affairs of the 5 Association. 6 Do you see that? 7 A. Yes. 8 Q. And you do recall we were looking at other 9 organizational language in the bylaws themselves. 10 And you're not prepared to say that those are 11 equivalent; is that correct? 12 MR. GARMAN (VIA ZOOM): Object to the 13 form. 14 A. I'm not sure I understand -- understand 15 how you're using the term "equivalent" here. 16 Q. Well, I guess as being essentially the 17 same thing, they're both talking about 18 reorganization. 19 You didn't -- you didn't go with me a 20 minute ago, but now that you have seen what is in 21 the -- in the actual agreement or the resolution 22 from the special litigation committee where it talks 23 about reorganize or restructure the affairs of the 24 Association, and I'm asking is that -- isn't that 25 essentially the same thing as adopt and disseminate</p> <p style="text-align: right;">Page 285</p> |

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| <p>1 a fundamental change of view or basic policy or 2 basic organizational structure of the Association? 3 MR. GARMAN (VIA ZOOM): Objection to 4 form. 5 A. And not -- I think -- I don't necessarily 6 agree with that. Different words, different -- and, 7 therefore, it may have different meaning. 8 Q. So changing an organization is not the 9 same as reorganizing? 10 MR. GARMAN (VIA ZOOM): Objection to 11 form. 12 A. Well, no, and I don't think it says 13 change -- I thought it said change an organization 14 policy. But, you know, reading the whole -- I 15 think -- I also think you have to read the whole 16 phrase in context and they're just not the same. 17 Q. Okay. Let's see, so if you could now go 18 to one of the other I think pieces that we have 19 talked about that lead to authority. 20 If we could look at Exhibit 8. Or is that 21 the one you have? 22 MR. GARMAN (VIA ZOOM): No. We have 23 got 8. 24 (Exhibit 8 marked.) 25 Q. Okay. If we could go to the -- it's the</p> <p style="text-align: right;">Page 286</p> | <p>1 of the lawsuits. 2 And then it says, And any additional legal 3 proceeding arising from the same facts, 4 circumstances or allegations as the foregoing, 5 wherein the potential for an actual or apparent 6 conflict of interest favors recusal by one or more 7 NRA executives who would customarily oversee such 8 proceedings. 9 So did I read that correctly? 10 A. You did. 11 Q. Could you tell me what is being referred 12 to in that (iv) portion? 13 MR. GARMAN (VIA ZOOM): Objection to 14 form. 15 Go ahead. 16 A. Any additional legal proceedings. 17 Q. Right. 18 A. I think -- I think -- I mean, I think it's 19 just what it says, anything arising from the same 20 facts, circumstances or allegations. And, you know, 21 it appears to be a catchall to address future 22 developments. 23 Q. I may be wrong, but I thought earlier -- I 24 may have gotten my question and answer earlier. 25 Unless I'm not putting two and two to get two things</p> <p style="text-align: right;">Page 288</p> |
| <p>1 special litigation committee resolution. 2 A. Yes, I have it. 3 Q. And this is on September 10, 2020; is that 4 correct? 5 A. No. This is a resolution from the 6 January 7th board meeting. 7 Q. I apologize. Whereas -- whereas on 8 September 10, 2020, that's where I'm looking. Can 9 y'all get to that? 10 A. Yes. 11 Q. Okay. It appoints specific individuals it 12 looks like to the special litigation committee. Is 13 that one of the things that's resolved, the first 14 thing? 15 A. Yes, that's in the first resolved clause. 16 Q. So and then what's resolved after that is 17 resolved that the special litigation committee shall 18 exercise corporate authority on behalf of the NRA 19 with respect to the prosecution and defense of -- 20 and the lawsuits that it mentions are the New York 21 and DC Attorney General lawsuits; isn't that right? 22 A. It refers to the New York and DC Attorney 23 General lawsuits but also the NRA's lawsuit against 24 Attorney General James. 25 Q. Okay. I agree. I just meant that was one</p> <p style="text-align: right;">Page 287</p> | <p>1 together. 2 But it seems to me that there was a 3 discussion that this might refer to you, that, you 4 know, you might be or Mr. LaPierre -- you and 5 Mr. LaPierre because of the fact that y'all were 6 involved in the lawsuits; is that right? Or did I 7 completely misunderstand something? 8 A. Yeah, that was the -- that was the 9 original purpose of creating the SLC. 10 Q. So y'all -- I believe you pointed to this 11 resolution, though, as showing authority in some way 12 or a part of the puzzle to show authority. 13 But would you agree that there's no 14 mention specifically of bankruptcy filing; is that 15 correct? 16 MR. GARMAN (VIA ZOOM): Objection to 17 form. 18 A. Yes. 19 Q. And there's no mention of reorganizing the 20 NRA; is that correct? 21 A. Yes. 22 Q. And are you willing to shed some light on 23 how this document fits into the picture of authority 24 to file bankruptcy petition? 25 MR. GARMAN (VIA ZOOM): Objection to</p> <p style="text-align: right;">Page 289</p> |

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| <p>1 form. I don't understand the question. 2 Q. Well -- 3 A. So -- so -- 4 Q. Go ahead. 5 A. So -- so this resolution creates this 6 committee with the intention of helping oversee 7 certain critical Association litigation. And -- and 8 this body is a body that, you know, among its other 9 activities, consulted with Mr. LaPierre and 10 ultimately agreed with the decision to file 11 Chapter 11. 12 Q. So you're saying that whatever group -- 13 and I can't remember if it was full board or 14 executive committee. But if the board passed this 15 resolution, are you saying that they should have 16 understood somehow through this document it would 17 put them on notice that a bankruptcy petition was 18 going to be filed? 19 MR. GARMAN (VIA ZOOM): Object to the 20 form. 21 A. Not necessarily. 22 Q. Okay. And then if we could -- I have to 23 check my time in a minute. 24 But Exhibit 12, could you see if you can 25 find that. And I would be looking at page 1,</p> <p style="text-align: right;">Page 290</p> | <p>1 Let me ask this: Isn't it true that 2 companies reorganize or restructure their affairs 3 all the time without going through a bankruptcy 4 proceeding? 5 MR. GARMAN (VIA ZOOM): Objection to 6 form. Go ahead. 7 A. Sure. 8 Q. Okay. Could we turn to Exhibit 102 at 9 page 36. 10 (Exhibit 102 marked.) 11 A. So this is a -- 12 MR. GARMAN (VIA ZOOM): Counsel, 13 what -- can you tell us what this is? 14 MR. GRUBER (VIA ZOOM): It should be 15 some testimony from -- if you go page 36 at line 8, I 16 believe it's some testimony from Mr. Frazer. 17 MR. GARMAN (VIA ZOOM): This -- so 18 someone -- so you had someone describe the 341? 19 MR. GRUBER (VIA ZOOM): I think -- I 20 think -- I don't think we did it, but I think there's 21 a transcript of the 341 available. 22 Q. And I just wanted to ask you -- I was 23 going to think this would save a little time. 24 So you according to this did not review 25 the contract prior to debate on the employment</p> <p style="text-align: right;">Page 292</p> |
| <p>1 Section 2. It should be Mr. LaPierre's employment 2 agreement resolution. 3 (Exhibit 12 marked.) 4 A. Just to be clear, it's not a resolution; 5 it's the employment agreement itself. But yes, I 6 have it. 7 Q. The employment agreement was approved by 8 what body? 9 A. By the full board. 10 Q. Okay. I'll ask the same question with 11 regard to this document, this employment agreement. 12 Do you believe this document puts the 13 board of directors on notice that a bankruptcy 14 petition will be filed relatively soon? 15 MR. GARMAN (VIA ZOOM): Objection to 16 form. 17 A. It doesn't say that. You know, it 18 gives -- it gives Mr. LaPierre the authority to 19 reorganize or restructure the affairs of 20 organization for various -- of the organization for 21 various purposes, but it doesn't expressly refer to 22 Chapter 11. 23 Q. And isn't it true that -- I opened up law 24 360 this morning, they were talking about a 25 reorganization but it wasn't a bankruptcy.</p> <p style="text-align: right;">Page 291</p> | <p>1 agreement; is that correct? 2 A. That's correct. 3 Q. And it was asked, Were the board members 4 provided a copy and your answer was, Yes, they were; 5 is that correct? 6 A. Yes. 7 Q. Okay. But you did not review it prior to 8 the motion; is that right? 9 A. That's right. 10 Q. In reviewing your responsibilities that 11 have been discussed in this deposition and all, 12 wouldn't that normally be something that you would 13 do especially involving the board of directors? 14 MR. GARMAN (VIA ZOOM): Objection to 15 the form. 16 A. Not necessarily. 17 Q. Okay. And who negotiated the agreement 18 for Mr. LaPierre? 19 A. Mr. LaPierre's counsel, Mr. Correll, as I 20 understand it. 21 Q. And who on the behalf of the NRA? 22 A. I don't know exactly. 23 Q. Was it Mr. Brewer? 24 A. He was certainly involved, but I don't 25 know if -- I don't know if I could -- I don't know</p> <p style="text-align: right;">Page 293</p> |

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| <p>1 for sure if he was the one who negotiated it. 2 Q. Do you know if Mr. Correll was a former 3 law partner of Mr. Brewer's? 4 A. I don't -- I don't know. I don't know if 5 he was a partner, no. 6 Q. And I believe earlier today -- if you go 7 to Exhibit 131 -- hold on just a second. Yeah, 8 Exhibit 131 at page 15. 9 (Exhibit 131 marked.) 10 MR. GARMAN (VIA ZOOM): This is the 11 third session. It says continuation. 12 A. You said page 15, Counsel? 13 Q. Yes. Exhibit 131, page 15. If you could 14 go to line 13. I believe earlier today -- and if I 15 misheard, you can tell me -- you didn't believe you 16 could testify about what happened in either of the 17 executive sessions. 18 But here I believe you are stating that 19 the words "bankruptcy" or "Chapter 11" were not used 20 in the executive session on January 7th; is that 21 correct? 22 MR. GARMAN (VIA ZOOM): Counsel, I 23 don't see where that -- where Mr. Frazer is talking 24 there. 25 Q. And I apologize. Go to page 16, at line Page 294</p> | <p>1 A. I'm sorry. Is there a question or do you 2 want me to read? 3 Q. I just wanted you to acknowledge the 4 testimony. 5 MR. GARMAN (VIA ZOOM): I don't -- 6 what testimony are you getting him to acknowledge? I 7 think he says it's attorney-client privilege. 8 Q. Well, on page 14, line 14 and 15 and then 9 on to the first page of line 15 -- of page 15. 10 MR. GARMAN (VIA ZOOM): But that's not 11 Mr. Frazer talking. At the bottom -- lines 14 and 15 12 are not Mr. Frazer. 14 and 15 are the question and 13 then you're instructed not to answer. 14 Q. Okay. Could you go to page 16 at line 22. 15 Would you read those lines. 16 A. So I said -- 17 MR. GARMAN (VIA ZOOM): So I don't 18 object to you just re-reading this transcript. So go 19 ahead and re-read this. 20 A. So starting on line 22 I say, Okay -- to 21 my recollection, I did not hear those phrases during 22 the executive session that I -- that -- I'm sorry, I 23 garbled a little on the phone -- that for which I 24 was present. 25 Q. Okay. I don't know how much time is left. Page 296</p> |
| <p>1 22 to 25. 2 MR. GARMAN (VIA ZOOM): I will just 3 note that Mr. Buncher instructs Mr. Frazer not to 4 answer in there so -- beginning on line 25. 5 Q. Yeah. If you go to -- I'm sorry. Page 16 6 at line 22. I believe you state, To my 7 recollection, I did not hear those phrases during 8 the executive session that I attended for which I 9 was present. 10 Do you see that? 11 A. I do. 12 Q. And I believe you have already stated 13 today that because there's other -- but in the -- 14 outside the board executive session, you didn't hear 15 any discussion of Chapter 11 or bankruptcy either, 16 did you? 17 MR. GARMAN (VIA ZOOM): Objection to 18 form. 19 A. So you're saying -- 20 Q. I'm sorry. If you would -- I'm sorry -- 21 A. Can you maybe read back -- I'm sorry, I'm 22 not following. Okay. I'm on page 14, right? 23 Q. Line 14 on 14. 24 A. Right. 25 Q. Okay. Page 295</p> | <p>1 I don't know whether -- I should have asked whether 2 we're talking about just our time. You know, we had 3 an agreement with, I think, splitting time with the 4 New York's Attorney General. I don't really want to 5 pass the witness because of -- I think there's some 6 time left, there's some questions about time on him 7 as a 30(b)(6). 8 But for right now I'm through. I don't 9 believe I'm going to be asking any more personal 10 questions. But I don't know what the situation is 11 with the 30(b)(6) time so... 12 MR. GARMAN (VIA ZOOM): So -- so I 13 think you're actually under 1 minute on his personal 14 deposition. Is that right? So I think we're done 15 there. 16 MR. GRUBER (VIA ZOOM): Counsel, I'm 17 giving you back time. 18 MR. GARMAN (VIA ZOOM): We can regroup 19 on the 30(b)(6). I understand what you said but 20 we'll figure that out off the record. 21 MS. STERN (VIA ZOOM): Just for the 22 record, the Attorney General's Office also joins with 23 Ackerman on -- that it is our understanding we would 24 have 30(b)(6) time at the end of the conclusion of 25 the Mr. Frazer. Page 297</p> |

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| <p>1 MR. GARMAN (VIA ZOOM): I'm sorry. 2 I'm sorry. That is true. I didn't understand that's 3 what counsel was saying. That is true. 4 MS. STERN (VIA ZOOM): And then 5 there's also an issue about how much time is left as 6 well. I don't know if Mr. Gruber was referring to 7 that. I just want to make sure that that is clear 8 that we're still reserving. 9 MR. GARMAN (VIA ZOOM): I think our 10 colleagues -- I think our collective colleagues 11 resolved that while we have been in here this 12 afternoon but we can take that up later. 13 MS. STERN (VIA ZOOM): So can -- one, 14 there's other counsel here I think that have 15 questions. And I would just before we, you know, 16 adjourn, I want to make sure that we can each touch 17 base with our respective colleagues. 18 MR. GARMAN (VIA ZOOM): Sure. 19 MS. SARKESSIAN (VIA ZOOM): This is 20 Juliet Sarkessian here on behalf of U.S. Trustee. I 21 have exactly three questions. They're all to clarify 22 former testimony either today or Monday of 23 Mr. Frazer. That's all I have. I don't know if we 24 want to try to squeeze that in now or there's another 25 day. But I would like to ask those questions. I Page 298</p> | <p>1 So let's go to the transcript which I 2 guess it's now Exhibit 130. I would first ask 3 you -- tell me when you're there. 4 MR. GARMAN (VIA ZOOM): So I think 5 it's broken up over a couple Exhibits. 6 MS. SARKESSIAN (VIA ZOOM): Really? 7 MR. GARMAN (VIA ZOOM): 130 is -- 8 yeah. So I think 130 is volume 1. No. Exhibit -- 9 so what we have as -- we have exhibit is AMc 10 Exhibit 130, which is identified as the videotaped 11 oral deposition of National Rifle Association by and 12 through its corporate representative John Frazer. 13 I'm sorry. I thought you were referring to the 341. 14 I got it. 15 MS. SARKESSIAN (VIA ZOOM): No. From 16 this Monday, March the 15th. That's 130, correct? 17 MR. GARMAN (VIA ZOOM): Yes, ma'am. 18 I'm sorry. 19 Q. So the first page I would like you to go 20 to is deposition page 67, but on the PDF it's page 21 18 if that helps. 22 MR. GARMAN (VIA ZOOM): Yeah. So 23 page -- 24 MR. SARKESSIAN (VIA ZOOM): Page 67 of 25 the PDF is page 18. Page 300</p> |
| <p>1 think it will be extremely fast. 2 MR. GARMAN (VIA ZOOM): Please -- 3 please proceed. 4 THE WITNESS (VIA ZOOM): So is this 5 30(b)(6)? 6 MR. GARMAN (VIA ZOOM): So does 7 anyone -- you know, I don't think you're moving -- I 8 don't think you're a party to this. Having said that 9 I'm not going to stop you from asking questions 10 unless someone else has an objection. 11 I have no -- I have no objection to 12 you asking both about his testimony today and your, 13 it sounds like, short testimony about the 30(b)(6). 14 So it's a little procedurally awkward, but I have no 15 objection. We can get it on the transcript. 16 MS. SARKESSIAN (VIA ZOOM): I 17 appreciate it. 18 EXAMINATION 19 BY MS. SARKESSIAN (VIA ZOOM): 20 Q. Can you hear me okay? 21 A. Yes, ma'am. Yes. 22 Q. For the record, it's Juliette Sarkessian 23 on behalf of the U.S. Trustee. I do believe that 24 the court reporter has the spelling for my name. If 25 not, let me know. Page 299</p> | <p>1 MR. GARMAN (VIA ZOOM): Okay. We're 2 there. 3 Q. Okay. If you could go down to line 22 of 4 page 67 and I'm -- if this is okay, I'm just going 5 to read it into the record and then I'm going to ask 6 you a clarifying question. Okay. 7 So at line 22 it starts, Question: Okay. 8 Who at the NRA made the determination that Mr. Cox 9 owed in excess of a million dollars back to the NRA? 10 Answer: Well, it was done in conjunction 11 with -- and now we're carrying over to the top of 12 page 68 -- it was done in conjunction with 13 general -- excuse me. It was done in conjunction 14 with counsel supervised by me, so I guess -- I guess 15 it's me. And that goes up to line 2 on page 68. 16 My question to you is: Mr. Frazer, there 17 where you say "in conjunction with counsel," who in 18 particular did you mean? 19 MR. GARMAN (VIA ZOOM): So just to be 20 clear, put your 30(b)(6) witness hat back on. That's 21 what we're doing right now. 22 A. Okay. So the counsel in the Cox matter 23 was the Brewer firm. 24 Q. And was it somebody in particular at the 25 Brewer firm that was involved with that with respect Page 301</p> |

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| <p>1 to what your testimony is or did you just mean the 2 Brewer firm generally? 3 A. Just the firm generally. 4 Q. Then we're going to move on to page 90 of 5 the transcript, which is page 24 of the PDF. 6 A. Okay. 7 Q. You got there before I did. Sorry. I 8 must be doing this the slow way. Page 90, lines 8 9 through 15. Okay. So again, I'm going to read this 10 in the record and then ask you a clarifying 11 question. 12 Starting at line 8 on page 90, this is 13 part of the question: Didn't Mr. LaPierre have the 14 NRA pay for tickets to sporting/entertainment 15 events? 16 Answer: Yes. 17 Question: Did you review his tickets to 18 sporting and entertainment events to see if they 19 were authorized? 20 Answer: I believe that has been done. 21 Question: Who did it? 22 Answer: I believe outside counsel. 23 Do you see that testimony? 24 A. Yes. 25 Q. And again, my question to you is: When</p> <p style="text-align: right;">Page 302</p> | <p>1 Q. And then I have down you spoke with 2 Mr. Brewer and Mr. Fleming -- Mr. Brewer by 3 telephone. And I just wanted to clarify: You did 4 speak to Mr. Brewer by telephone in connection with 5 preparing for this deposition today? 6 A. Yes, I did. 7 Q. Approximately how long was that call? 8 A. It was about -- it was about two hours. 9 Well, actually no. He was -- I'm trying to remember 10 now. I think he was actually on for part of the 11 morning and I don't recall how much of that. So in 12 excess of two hours, but I don't know exactly. 13 Q. Were there other people on the telephone? 14 A. When I was on the phone with Mr. Brewer I 15 was also on the phone with Mr. Fleming. 16 Q. And during that call, was Mr. Garman also 17 there physically with you as well? 18 A. Not for that part of the day. 19 Q. Okay. So during -- when you were speaking 20 to Mr. Brewer and Mr. Fleming on the phone, those 21 were the only people you were speaking with; there 22 was no other lawyer that was either with you present 23 or on the telephone, correct? 24 A. That's correct. 25 Q. Okay. Just one more question. That</p> <p style="text-align: right;">Page 304</p> |
| <p>1 you referred to outside counsel in that testimony, 2 who did you mean? 3 A. I would have been referring to the Brewer 4 firm. 5 Q. And again, was there anybody in particular 6 at the Brewer firm that you know was doing this work 7 or did you mean the Brewer firm just generally? 8 A. Just generally. 9 Q. And now I'm going to -- my third -- my 10 last question is -- relates to testimony earlier 11 today so it's not with respect to this transcript. 12 I don't, of course, have a transcript for today so 13 you're going to have to bear with me with my notes. 14 This was rather early in the day when 15 Ms. Stern was doing the questioning and she was 16 asking about your preparation for the depositions. 17 And this is -- and again, if I say something wrong, 18 please correct me. 19 But what I have you saying is that to 20 prepare for this deposition that you met with 21 Mr. Garman and two colleagues, Ms. Pilatowicz -- I 22 may be pronouncing that wrong. You also spoke 23 briefly to Ms. Eisenberg who I believe is she's with 24 the Brewer firm, correct? 25 A. Yes.</p> <p style="text-align: right;">Page 303</p> | <p>1 was -- was that testimony just related to you 2 testifying today; in other words, that was prep just 3 for today, not for Monday? 4 MR. GARMAN (VIA ZOOM): Different 5 group. Right. Sorry. Go ahead. 6 A. So the prep -- the prep that I was talking 7 about for -- when I testified this morning about my 8 preparation, I was referring only to the preparation 9 that took place yesterday for today's deposition. 10 Q. When you -- I think you may have answered 11 this Monday, and I apologize. 12 When you prepared for Monday's deposition, 13 which attorneys were you prepping with? 14 A. I was with at various times Mr. Brewer -- 15 Mr. Brewer, Mr. Garman, Mr. Fleming, Mr. Ciciliano, 16 and Ms. Rogers. I hope I'm not forgetting anyone. 17 Q. Approximately how long was Mr. Brewer 18 involved in your prep for that, for Monday's 19 hearing -- excuse me -- Monday's deposition? 20 A. Well, we prepared on Saturday and Sunday 21 and it was -- you know, it was a fairly large group 22 and people were kind of coming and going so I 23 couldn't give you a number of hours. 24 MS. SARKESSIAN (VIA ZOOM): Okay. 25 That's all. Thank you very much. I appreciate you</p> <p style="text-align: right;">Page 305</p> |

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| <p>1 letting me have the time.</p> <p>2 THE WITNESS (VIA ZOOM): My pleasure.</p> <p>3 MR. GARMAN (VIA ZOOM): Last but not</p> <p>4 least, Scott.</p> <p>5 MR. DRAKE (VIA ZOOM): I appreciate --</p> <p>6 I appreciate that last add-on there. I'm going --</p> <p>7 without binding myself, I think I'm probably less</p> <p>8 than 30 minutes. Does anyone need a break? I'm</p> <p>9 ready to roll, but -- I don't even know how long we</p> <p>10 have been going. Does anyone know?</p> <p>11 MR. GARMAN (VIA ZOOM): Can you make</p> <p>12 it?</p> <p>13 THE WITNESS (VIA ZOOM): I'm okay.</p> <p>14 MR. GARMAN (VIA ZOOM): Ellen, do you</p> <p>15 need a break?</p> <p>16 THE VIDEOGRAPHER (VIA ZOOM): I'm all</p> <p>17 right.</p> <p>18 MR. GARMAN (VIA ZOOM): We'll roll</p> <p>19 with you, or we'll try to.</p> <p>20 MR. DRAKE (VIA ZOOM): Okay. Let's do</p> <p>21 it.</p> <p>22 EXAMINATION</p> <p>23 BY MR. DRAKE (VIA ZOOM):</p> <p>24 Q. Just for the record, Mr. Frazer, Scott</p> <p>25 Drake from Norton Rose Fulbright on behalf of the</p> <p style="text-align: right;">Page 306</p> | <p>1 Q. Anyone else?</p> <p>2 A. Obviously, I'm playing a role here and --</p> <p>3 but those -- I think those would be the key</p> <p>4 individuals.</p> <p>5 Q. Is there -- similar to the special</p> <p>6 litigation committee, has there been any formal</p> <p>7 committee formed by the NRA to make decisions with</p> <p>8 respect to the bankruptcy?</p> <p>9 A. No.</p> <p>10 Q. Does the special litigation committee play</p> <p>11 a role in the bankruptcy or are they limited to</p> <p>12 those litigation matters enumerated in the document</p> <p>13 that we looked at earlier?</p> <p>14 A. Given -- given -- so to be clear, because</p> <p>15 of the nature of the committee, I have never</p> <p>16 attended any of its meetings. But my understanding</p> <p>17 is that they're regularly briefed and bankruptcy</p> <p>18 issues are discussed with them.</p> <p>19 Q. When you were talking earlier about the</p> <p>20 NRA's retention of Mr. Neligan and his firm, do you</p> <p>21 know who at the NRA ultimately picked Mr. Neligan's</p> <p>22 firm for debtors' counsel?</p> <p>23 A. My understanding is that it was</p> <p>24 Mr. LaPierre.</p> <p>25 Q. And what about Mr. Garman's firm, would</p> <p style="text-align: right;">Page 308</p> |
| <p>1 official committee of unsecured creditors. I have a</p> <p>2 few questions just to kind of clarify some of the</p> <p>3 things you said earlier today to make sure I</p> <p>4 understood them.</p> <p>5 So, again, I'm paraphrasing. The</p> <p>6 transcript will have your exact words. But I</p> <p>7 believe you mentioned that given the size of the</p> <p>8 board, the board functions somewhat like a</p> <p>9 legislature.</p> <p>10 Do you remember that testimony?</p> <p>11 A. Yes.</p> <p>12 Q. And I think then you indicated that also</p> <p>13 the board functions by various committees; is that</p> <p>14 right?</p> <p>15 A. Yes.</p> <p>16 Q. Who do you understand -- and when I say</p> <p>17 "who," it could be an individual or a group of</p> <p>18 individuals.</p> <p>19 But who is in charge of decisions with</p> <p>20 respect to the bankruptcy now that it has been</p> <p>21 filed?</p> <p>22 A. So ultimately, it's -- you know, it's the</p> <p>23 leadership reporting up, executive vice president</p> <p>24 LaPierre, president Meadows and the two vice</p> <p>25 presidents.</p> <p style="text-align: right;">Page 307</p> | <p>1 that also be Mr. LaPierre that made that decision?</p> <p>2 A. You know, I'm sorry, I just don't recall</p> <p>3 that discussion.</p> <p>4 Q. And all these questions are if you know.</p> <p>5 Do you -- and, again, we have got a lot of</p> <p>6 depositions scheduled with various people, so I'm</p> <p>7 just trying to get an understanding of who may know</p> <p>8 what.</p> <p>9 Do you, Mr. Frazer, have an understanding</p> <p>10 as to who at the NRA might have made the decision to</p> <p>11 hire Mr. Garman's firm?</p> <p>12 A. I mean, I was involved and I can't recall</p> <p>13 if there was a discussion with Mr. LaPierre.</p> <p>14 Q. So -- again, just so I'm clear on your</p> <p>15 testimony, you said you were involved.</p> <p>16 Did you -- did you make the decision on</p> <p>17 behalf of the NRA to engage Mr. Garman's firm?</p> <p>18 A. Again, I can't recall about a discussion</p> <p>19 with Mr. LaPierre.</p> <p>20 Q. I know it's late so I'm probably just not</p> <p>21 asking a very good question.</p> <p>22 So setting aside whether you can recall</p> <p>23 conversations with Mr. LaPierre, I'm just trying to</p> <p>24 figure out who actually at the NRA made the</p> <p>25 decision.</p> <p style="text-align: right;">Page 309</p> |

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| <p>1 Was that you who made the decision or 2 would it have been somebody else or a group of 3 individuals? 4 MR. GARMAN (VIA ZOOM): Object to the 5 form. 6 Go ahead. 7 A. I think it would have been -- I think it 8 was kind of a group but sometimes there will be 9 separate conversations that occur. 10 Q. Do you recall any of the individuals that 11 were in that group? 12 A. You know, I don't, other than myself. 13 Q. Mr. Frazer, again, just kind of a point of 14 clarification. When you talk about the special 15 litigation committee -- and if we need to look at 16 it, hopefully somebody can point it to me. But I 17 know it specifically mentioned, I believe, one or 18 two of the New York AG actions and the DC AG action. 19 And then I think it kind of had a little bit of a 20 catchall that mentioned another litigation -- and, 21 again, I'm paraphrasing -- other litigation that 22 arises out of the same facts or something like that. 23 Do you recall that generally? 24 A. Yes. 25 Q. So is the special litigation committee</p> <p style="text-align: right;">Page 310</p> | <p>1 what the questions were. 2 But my question to you on that topic is: 3 Who at the NRA -- and again, "who" could be an 4 individual or a collection of people. 5 Who at the that is involved in the plan 6 process? 7 A. Well, currently working with counsel, it 8 would be myself, Ms. Rowling, Mr. LaPierre. It 9 depends on how far -- how far down into the details 10 you would get. 11 Q. But would it -- as far as ultimate 12 responsibility, would you say it's mainly you, 13 Ms. Rowling and Mr. LaPierre with the assistance of 14 counsel? 15 A. At an operational level but then, of 16 course, the board will presumably be briefed at the 17 upcoming rescheduled special meeting and, of course, 18 the board officers, you know, who also constitute 19 the special litigation committee but they're -- even 20 if the committee didn't exist, they were and are the 21 board officers, would be -- have been actively 22 engaged and will continue to be. 23 Q. Mr. Frazer, when you said "and also with 24 the assistance of counsel," what counsel or 25 collection of counsel are you referring to?</p> <p style="text-align: right;">Page 312</p> |
| <p>1 also overseeing the litigation with Ackerman 2 McQueen? 3 A. No. 4 Q. And who at the NRA is overseeing that 5 litigation? 6 A. I am. 7 Q. Anyone else? 8 A. Not on -- not at the staff level, no. 9 Q. Are you the person at the NRA responsible 10 for strategic decisions with respect to that 11 litigation? 12 A. It has been quite a while since we had 13 any. But, you know, it's sort of in discovery, 14 right. But, you know, I think I would make any -- 15 it's major litigation. It's not something that I 16 would decide entirely on my own ever. 17 Q. And what about the litigation with 18 Mr. Dell'Aquila? 19 A. Similar situation. 20 Q. So that's not -- that's not being run by 21 the special litigation committee? 22 A. Right. Right. 23 Q. So, Mr. Frazer, there were also some 24 questions about the plan of reorganization and that 25 process. To be honest, I can't remember exactly</p> <p style="text-align: right;">Page 311</p> | <p>1 A. On the -- on the plan? 2 Q. Yes, on the plan specifically. 3 A. Sure. The Neligan firm is taking the lead 4 on the plan. 5 Q. And then if you need to look at -- I think 6 it was Exhibit 2 from the New York Attorney General. 7 I think it's also an exhibit from Ackerman. This is 8 the email January 15th that was the announcement 9 from Mr. LaPierre. 10 Do you see that? 11 (Exhibit 2 marked.) 12 A. Yes. 13 Q. And if you'll scroll down, Mr. Frazer, 14 to -- it's the section about the CRO. I'm trying to 15 find it. 16 A. It's under the -- I think I found it. 17 It's under the heading Building Our Strengths. 18 Q. Yes, that's right. So again, I may have 19 written it down wrong or misheard you. 20 But I believe your testimony was that you 21 personally were not involved in that decision about 22 adding a CRO; is that correct? 23 A. Yes, that's correct. 24 Q. Are you aware, Mr. Frazer, who might have 25 been involved in that decision on behalf of the NRA?</p> <p style="text-align: right;">Page 313</p> |

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| <p>1 MR. GARMAN (VIA ZOOM): Objection to 2 form. 3 Go ahead. 4 A. Yeah. I know that Mr. Brewer would have 5 been involved and that's all I know for certain. 6 Q. And so, again, when you sent this email, 7 did you draft this -- it came from Mr. LaPierre. 8 But did you draft this email or did somebody else 9 draft it? 10 A. I did not draft it. 11 Q. Did you have an understanding where it -- 12 where it says, I have added Marshall Smith as our 13 chief restructuring officer, the "I" there refers to 14 Mr. LaPierre; is that -- 15 A. That's right. That's right. Fair point. 16 Q. And so did you understand that it was -- I 17 mean, again, I just don't know what your -- what was 18 your understanding? Was it Mr. LaPierre's decision 19 as he indicates there or was it a decision made by 20 more than just Mr. LaPierre? 21 A. I'm sure Mr. -- you know, from having 22 worked with Mr. LaPierre for some time, I know that 23 he collaborates with his colleagues and gets advice 24 of counsel but -- so I'm sure it wasn't a solo 25 decision.</p> <p style="text-align: right;">Page 314</p> | <p>1 correct? 2 A. Yes. 3 Q. And then when you say the vice president 4 who are you referring to? Because I believe you 5 said there's a first vice president, which is 6 Cotton, and then the second VP, which is Lee, and 7 then you have the executive vice president, which is 8 Mr. LaPierre. So would -- 9 A. Correct. 10 Q. Would it involve all of those individuals? 11 A. Well, yeah, I kind of -- yes. I mean, I 12 mentioned Mr. LaPierre separately and then the -- 13 you know, I think of the president and vice 14 presidents as a group. 15 Q. Okay. Probably just my connection. So 16 when you said vice president, you were saying 17 plural? 18 A. Right. 19 Q. Okay. I'm sorry. I just didn't hear 20 that. So -- and then when you said Mr. LaPierre and 21 counsel, which counsel are you referring to? 22 A. I know that Mr. Brewer advises 23 Mr. LaPierre. Mr. Davis advises the board officers. 24 Q. Would it also involve Mr. Neligan's firm 25 or Mr. Garman's firm?</p> <p style="text-align: right;">Page 316</p> |
| <p>1 Q. But am I understanding you that you 2 sitting here today don't have personal knowledge as 3 to who else might have been involved in that 4 decision? 5 A. That's right. 6 Q. And again, I forget exactly. What was 7 your testimony as to why Mr. Smith ended up not 8 serving as the CRO? 9 A. My understanding is that he or a family 10 member had some unexpected health issues. 11 Q. And to the extent the NRA would engage 12 someone besides Mr. Smith as a CRO, who would make 13 that decision? 14 A. I think similarly it would be Mr. LaPierre 15 with advice of counsel. 16 Q. Anyone else from the NRA besides 17 Mr. LaPierre? 18 A. And the -- and the board leadership. 19 Q. And when you say "board leadership," who 20 do you mean? 21 A. I mean the senior -- you know, the 22 senior -- the senior elected -- the elected outside 23 officers, the president and vice presidents. 24 Q. Just again, so I make sure I understood 25 your testimony. The president is Ms. Meadows,</p> <p style="text-align: right;">Page 315</p> | <p>1 A. Of course. 2 Q. Mr. Frazer, so I guess you understand, 3 obviously -- I think Mr. Gruber mentioned this -- 4 one of the topics for the deposition is that certain 5 parties have filed a motion to appoint a Chapter 11 6 trustee. 7 Do you understand that? 8 A. Yes. 9 Q. Have you reviewed the debtors' omnibus 10 response to those motions? 11 A. Yes, I did. 12 MR. DRAKE (VIA ZOOM): I'm going to -- 13 I have a couple questions. I'm going to see if I 14 can -- I think, Greg, I tried to upload it. 15 MR. GARMAN (VIA ZOOM): Okay. 16 MR. DRAKE (VIA ZOOM): I don't 17 necessarily know that it needs to be an exhibit, but 18 it should be there momentarily. 19 MR. GARMAN (VIA ZOOM): Got it. I 20 think it's currently uploading. 21 MR. DRAKE (VIA ZOOM): Okay. Is it 22 working? 23 MR. GARMAN (VIA ZOOM): It still 24 indicates it's -- I think it's still uploading but -- 25 it's there but we can't open it yet.</p> <p style="text-align: right;">Page 317</p> |

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| <p>1 (Exhibit 1 marked.)</p> <p>2 Q. All right. Let me see, can you see it now</p> <p>3 on the zoom screen?</p> <p>4 A. Yes.</p> <p>5 Q. So I have a couple questions about the</p> <p>6 response and, I guess, for all of them one question</p> <p>7 will be, you know, are you the person to talk to or</p> <p>8 is there someone better. And if there's someone</p> <p>9 better, if you could identify that person and I'm</p> <p>10 sure they will be happy that you did.</p> <p>11 MR. GARMAN (VIA ZOOM): Well, I</p> <p>12 drafted it but I don't think you want to talk to me.</p> <p>13 Q. So if you'll go to page -- up at the top</p> <p>14 where it has page blank of 54, page 13 of 54.</p> <p>15 A. Okay. I can see it on your screen.</p> <p>16 Q. Yeah. Yeah. I forgot. Sorry.</p> <p>17 I just had a question here. This</p> <p>18 paragraph talks about the allegations from</p> <p>19 Mr. Schneiderman and the NRA acting in the wake of</p> <p>20 it. And you'll see on line 2 it said it conducted a</p> <p>21 deep examination of its internal controls and took</p> <p>22 steps to redress or obviate nearly every item.</p> <p>23 Do you see that?</p> <p>24 A. Yes.</p> <p>25 Q. Are you familiar, Mr. Frazer, with what</p> <p style="text-align: right;">Page 318</p> | <p>1 But then also even with respect to the</p> <p>2 vendors that we still were using and that we valued</p> <p>3 at the time, we took a deeper look at their</p> <p>4 invoicing practices and, you know, we demanded</p> <p>5 greater transparency.</p> <p>6 We sent a letter out to hundreds of</p> <p>7 vendors informing them of our -- of our need for</p> <p>8 clear and compliant expense backup before the NRA</p> <p>9 would reimburse anything. And virtually all of them</p> <p>10 got onboard with that.</p> <p>11 A notable exception being Ackerman</p> <p>12 McQueen, which, you know, continued to refuse and</p> <p>13 continues to this day to refuse to provide</p> <p>14 visibility into its -- into some of its operations</p> <p>15 for us.</p> <p>16 And then -- and then on personnel issues</p> <p>17 we looked at where some of the concerns were coming</p> <p>18 from and they were coming from specific individuals</p> <p>19 who are no longer with the Association.</p> <p>20 So I think we have -- I think taken</p> <p>21 together those and other steps add up to, you know,</p> <p>22 really strong track record over the last few years</p> <p>23 of, you know, going out and remedying these problems</p> <p>24 even though sometimes it's painful along the way.</p> <p>25 Q. And, Mr. Frazer, you talked over today and</p> <p style="text-align: right;">Page 320</p> |
| <p>1 steps the NRA took to redress or obviate the</p> <p>2 concerns and allegations made by the New York AG?</p> <p>3 A. Well, there are quite a few items in that</p> <p>4 complaint. But I am generally familiar with the</p> <p>5 NRA's remedial efforts, you know, more in some areas</p> <p>6 than others.</p> <p>7 Q. Sure. And again, I know it has been a</p> <p>8 long day and you may not remember every one of them.</p> <p>9 But just sitting here now, can you kind of</p> <p>10 describe the remedial efforts that you are aware of</p> <p>11 that the NRA took --</p> <p>12 A. Sure.</p> <p>13 Q. -- to address the allegation?</p> <p>14 A. Sure. I mean, a couple of them are</p> <p>15 mentioned right here about examining internal</p> <p>16 controls and vendor relationships. So, you know,</p> <p>17 what we found substantially is that we had good</p> <p>18 internal controls and just needed to be stricter in</p> <p>19 ensuring that they're communicated and enforced. So</p> <p>20 that was -- that was a key step.</p> <p>21 Scrutiny of vendor relationships was very</p> <p>22 important. We looked, first of all, at which</p> <p>23 vendors we actually needed. And, you know, just as</p> <p>24 for the financial health of the organization, we</p> <p>25 terminated contracts with some under performers.</p> <p style="text-align: right;">Page 319</p> | <p>1 also on Monday about some of the audits that the NRA</p> <p>2 did with respect to these allegations.</p> <p>3 Do you recall those questions generally?</p> <p>4 A. You mean reviewing -- reviewing issues</p> <p>5 that had been raised by whistleblowers, for example?</p> <p>6 Q. Yes.</p> <p>7 A. Yeah. I wasn't sure what you meant by the</p> <p>8 term audit, but yes, we -- we -- we went into those</p> <p>9 in-depth and tried to resolve every item in a</p> <p>10 satisfactory way.</p> <p>11 Q. Some of -- some of the allegations that</p> <p>12 you talked about related to various expenses and</p> <p>13 reimbursements that were in some cases determined to</p> <p>14 be improper, correct?</p> <p>15 A. Yes.</p> <p>16 Q. And so what -- what protections, if any,</p> <p>17 does the NRA have in place today in order to avoid</p> <p>18 repeating those kind of events?</p> <p>19 A. Sure. So among other things, we greatly</p> <p>20 tightened up the use of corporate credit cards,</p> <p>21 basically removed American Express cards from a lot</p> <p>22 of employees. For those employees who had American</p> <p>23 Express cards and still needed access to credit for</p> <p>24 travel and entertainment, we issued a visa card</p> <p>25 which provided a much simpler interface for review</p> <p style="text-align: right;">Page 321</p> |

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| <p>1 and verification of expenses. 2 We -- you know, we -- I'm trying to think 3 of other examples. We -- so we're talking about -- 4 well, another area was housing reimbursement, 5 housing allowances, and we have essentially phased 6 those out or almost out. 7 And we are, you know, just really a 8 different culture in terms of who's authorized to 9 approve things and who -- and what the cross-checks 10 are. So, you know, officer expenses are reviewed at 11 a higher level than they previously were. There's 12 no officer expenses passed through vendors. 13 Everything is done internally. Just a whole host of 14 steps. 15 Q. I'm going to go to a few pages down. Bear 16 with me here. Okay. So, Mr. Frazer, I direct your 17 attention to paragraph 83. And again, if this 18 question is better suited for somebody else, let me 19 know who that is. 20 But do you see this second sentence that 21 says, The removal of the member-selected leadership 22 and the installation of a third-party trustee 23 appointed by the government will have a devastating 24 impact on the NRA's ability to collect dues and 25 raise donations from its members, which dues and</p> <p style="text-align: right;">Page 322</p> | <p>1 CEO but the top fundraiser. His face and his 2 signature bring in contributions and memberships. 3 So if what's -- so if a trustee were 4 appointed and Mr. LaPierre were removed, for 5 example, who would sign the fundraising mail. Then 6 another step down the road, who -- you know, would 7 the members want to donate at all to an organization 8 that's under the control of, you know, a trustee 9 appointed by what's regrettably now a hostile 10 presidential administration. 11 Q. Well, you mentioned fundraising as part of 12 your answer, Mr. Frazer. 13 Approximately how much, if you know, does 14 NRA rely on fundraising dollars as opposed to other 15 sources of money? 16 A. It's the single most -- membership dues 17 and rank in file contributions are the -- together 18 are the single largest revenue source of the NRA. 19 Q. So -- 20 A. Ms. Rowling could give you a more precise 21 breakdown. 22 Q. Okay. I appreciate that. I appreciate 23 that. 24 So I want to also turn back to something 25 from earlier testimony that may have been on Monday,</p> <p style="text-align: right;">Page 324</p> |
| <p>1 donations are necessary for debtors' existence and 2 reorganization. 3 Do you see that? 4 A. I do. 5 Q. And so do you -- do you agree with that 6 statement, Mr. Frazer? 7 A. Yes, I do. 8 Q. And what specifically or why specifically 9 does the NRA believe that removal of its selected 10 leadership would have a, in NRA's words, devastating 11 impact on the NRA? 12 A. Sure. You know, we're proud to be a 13 membership organization. We're a grassroots 14 organization, about 5 million members. And the 15 members have a direct role in the governance of the 16 Association. 17 About half of the NRA's members are 18 eligible to vote, either by being life members or 19 having been -- having being annual members for five 20 or more years consecutively. And those members get 21 to vote. They vote for the board. 22 The board elects the president, vice 23 presidents, you know, executive vice president and 24 other elected officers. If -- if -- you know, and 25 key among those is Mr. LaPierre who is not only the</p> <p style="text-align: right;">Page 323</p> | <p>1 I think with respect to the IRS Form 990. That's 2 annual information for, again, loosely describing 3 it, for -- annual information for organizations 4 claiming some kind of federal tax exception. Is 5 that loosely what it is? 6 A. Yes. 7 Q. And I guess you have to file that yearly; 8 is that right? 9 A. Yes. 10 Q. And so I guess -- and some of the 11 testimony from Monday was that there was 12 investigations that the NRA did into excess benefit 13 transactions. 14 Did I remember that correctly? 15 A. Yes. 16 Q. And so for years 2019 and prior, have 17 those investigations been completed or are they 18 still ongoing? 19 A. Some of them are still ongoing. 20 Q. And so if there are additional findings 21 made for those prior years, would the NRA amend its 22 990 to reflect those findings, if required? 23 A. Normally -- normally what you would do is 24 report them on the subsequent year's 990s. The 25 Schedule O is used to make sort of a catchall</p> <p style="text-align: right;">Page 325</p> |

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| <p>1 receptacle for disclosures that don't -- you know, 2 don't automatically fit somewhere else. 3 Q. Is there -- is there any current 4 investigation into excess benefit transactions for 5 the year 2020 for the to be filed 990? 6 A. Only -- I can't answer definitively. But 7 only to the extent that any issues from 2019 that we 8 noted as under investigation, you know, might have 9 included similar issues in 2020. 10 So, for example, we mentioned some issues 11 about first class travel upgrades. And for those 12 we'll look comprehensively at all of the 13 individuals' travel, you know, regardless of year. 14 Q. And, Mr. Frazer, again, just make sure I 15 remember the testimony. Are the investigations done 16 by your outside counsel or is that done internally 17 by NRA personnel? 18 A. Either or both, depending on the specific 19 subject. 20 Q. And is the outside counsel Morgan Lewis or 21 the Brewer firm? 22 A. We have used the Brewer firm and we have 23 used other firms for various types of 24 investigations. 25 Q. Do you have an opinion as to whether the</p> <p style="text-align: right;">Page 326</p> | <p>1 I don't know the details so I need to take a moment 2 and get up to speed. 3 And then are you prepared for 4 Mr. Frazer to continue testifying this evening on 5 30(b)(6) topics? 6 MR. GARMAN (VIA ZOOM): Why don't 7 you -- why don't you talk to your colleagues and 8 we'll regroup in here and answer that question. 9 MS. STERN (VIA ZOOM): Okay. Well, it 10 would help us in terms of knowing whether Mr. Frazer 11 is prepared to continue this evening. 12 MR. GARMAN (VIA ZOOM): I need to 13 stand him up and get him some coffee and ask him 14 whether he's capable of doing that. 15 THE WITNESS (VIA ZOOM): Physically 16 I'm doing fine. I'm getting a little hungry but 17 other than that, I mean, I think I'm okay. I just 18 don't know what their -- what their -- the deal is. 19 And can we take a break while we figure out what the 20 deal is? 21 MS. STERN (VIA ZOOM): Yeah, for sure. 22 And the same for the court reporter and the 23 videographer, just -- we'll -- I want to observe that 24 you're also working away all this time too. So we 25 will try to get back to you in, let's say, 10</p> <p style="text-align: right;">Page 328</p> |
| <p>1 measures and procedures that the NRA put in place in 2 response to some of the things we talked about 3 earlier have been effective as to preventing the 4 type of violations that were described in the New 5 York Attorney General's lawsuit? 6 A. Yes. We believe them -- we believe they 7 have been effective. 8 Q. And who -- who at the NRA is involved in 9 those investigations? Would that be you as general 10 counsel or is that somebody in finance or is it a 11 collection of people? 12 A. Normally it would be led by the Office of 13 General Counsel, either me personally or some of the 14 staff, depending on the issue. And to the extent 15 that they involve -- that it involves financial 16 matters, we would surely enlist the finance staff. 17 MR. DRAKE (VIA ZOOM): All right. 18 Mr. Frazer, I think that's all I have and it's pretty 19 close to my time estimate. So I will pass the 20 witness. 21 THE WITNESS (VIA ZOOM): Thank you. 22 MS. STERN (VIA ZOOM): So I'm not sure 23 if anyone else is in line to do -- examine Mr. Frazer 24 in his individual capacity. My understanding is that 25 there is an understanding that has been reached, but</p> <p style="text-align: right;">Page 327</p> | <p>1 minutes. 2 MR. GARMAN (VIA ZOOM): Okay. 3 THE VIDEOGRAPHER (VIA ZOOM): Going 4 off the record. The time is 20:12 p.m. 5 (Recess 8:12 p.m. to 8:39 p.m.) 6 THE VIDEOGRAPHER (VIA ZOOM): Going 7 back on the record. The time is 20:39 p.m. 8 MS. STERN (VIA ZOOM): Okay. We 9 have -- the parties have conferred and have agreed 10 that the deposition of John Frazer in his individual 11 capacity has concluded today and that the -- his 12 deposition as a 30(b)(6) witness will be continued. 13 The parties are going to discuss 14 tomorrow after a court hearing the date for that 15 deposition, and it will be at least an hour -- I'm 16 sorry, no more than an hour. 17 Is there anything else anyone wants to 18 add? 19 MR. GARMAN (VIA ZOOM): No. On behalf 20 of the NRA, we agree. 21 MR. GRUBER (VIA ZOOM): On behalf of 22 Ackerman McQueen, we agree. 23 Thank you for your patience and time 24 today, Mr. Frazer, and Counsel. It was a long day. 25 MS. STERN (VIA ZOOM): Thank you very</p> <p style="text-align: right;">Page 329</p> |

1 much everyone. And thank the reporters. And we
2 ordered an expedited -- the Attorney General would
3 like an expedited transcript as per our arrangement.
4 THE VIDEOGRAPHER (VIA ZOOM): We are
5 off the record at 20:40 p.m. This concludes today's
6 testimony of John Frazer in his individual capacity.
7 The total number of media used is 17 and will be
8 retained by Veritext.
9 (Deposition concluded at 8:40 p.m.)
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Page 330

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4 _____
(Signature of the Witness)
5
6
7
8 THE STATE OF _____
9 COUNTY OF _____
10
11 Subscribed and sworn to before me by the said
12 witness, JOHN FRAZER, on this the _____ day of
13 _____, 2021.
14
15
16 _____
Notary Public in and for the
17 State of _____
18 County of _____
19 My commission expires: _____
20
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Page 332

1 DEPOSITION CHANGES
2 WITNESS: JOHN FRAZER
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Page 331

1 STATE OF TEXAS)
2 COUNTY OF DALLAS)
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8 I, Michelle L. Munroe, Certified Shorthand
9 Reporter in and for the State of Texas, certify that
10 the foregoing deposition of JOHN FRAZER was reported
11 stenographically by me at the time and place
12 indicated, said witness having been placed under oath
13 by me, and that the deposition is a true record of
14 the testimony given by the witness;
15 That the amount of time used by each party at
16 the deposition is as follows:
Ms. Stern - 5 hours, 27 minutes
17 Mr. Gruber - 1 hour, 33 minutes
18 Ms. Sarkessian - 9 minutes
19 Mr. Drake - 32 minutes
20
21
22 I further certify that I am neither counsel for
23 nor related to any party in this cause and am not
24 financially interested in its outcome.
25

Page 333


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| <div>1 2 Given under my hand on this the 22nd day 3 of March, 2021. 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20  21 michene L. munroe, CSR No. 6011 22 Commission expires 12-31-22 23 Firm Registration #571 24 VERITEXT LEGAL SOLUTIONS 25 300 Throckmorton Street, Suite 1600 Fort Worth, Texas 76102 817.336.3042 telephone</div> <div>Page 334</div> | |
| <div>1 ggarman@gtg.legal 2 March 22, 2021 3 RE: In Re: National Rifle Association Of America And Sea Girt 4 DEPOSITION OF: John Frazier (# 4504850) 5 The above-referenced witness transcript is 6 available for read and sign. 7 Within the applicable timeframe, the witness 8 should read the testimony to verify its accuracy. If 9 there are any changes, the witness should note those 10 on the attached Errata Sheet. 11 The witness should sign and notarize the 12 attached Errata pages and return to Veritext at 13 errata-tx@veritext.com. 14 According to applicable rules or agreements, if 15 the witness fails to do so within the time allotted, 16 a certified copy of the transcript may be used as if 17 signed. 18 Yours, 19 Veritext Legal Solutions 20 21 22 23 24 25</div> <div>Page 335</div> | |

EXHIBIT 10

**RESOLUTION AUTHORIZING CHAPTER 11 REORGANIZATION
AND RELATED RETENTION OF COUNSEL**

WHEREAS, on January 7, 2021, at a meeting of the Board of Directors of the National Rifle Association of America (“NRA”), the NRA Board of Directors voted to approve that certain Employment Agreement between the NRA and Wayne LaPierre, its Executive Vice President, clarifying, for avoidance of doubt, that Wayne LaPierre is delegated the power to “exercise corporate authority in furtherance of the mission and interests of the NRA, including ... to reorganize or restructure the affairs of the Association;” and

WHEREAS, the NRA is the single member and manager of Sea Girt, a Texas limited liability company; and

WHEREAS, on September 10, 2020, NRA President Carolyn Meadows announced the appointment of a Special Litigation Committee of the NRA to oversee the prosecution and defense of certain litigation; and

WHEREAS, on January 7, 2021, the Board of the NRA enacted a resolution formalizing the existence of the Special Litigation Committee as a committee of the Board of the NRA pursuant to N.Y. N-PCL § 712(a), and such resolution contained the following provisions:

RESOLVED that a Special Litigation Committee of the NRA Board of Directors is hereby appointed, and that the members of such Committee shall be Carolyn Meadows, Charles Cotton, and Willes Lee, each of whom has been determined to be independent and disinterested in all respects relevant to their service on the Special Litigation Committee, and be it further

RESOLVED that the Special Litigation Committee shall exercise corporate authority on behalf of the NRA with respect to the prosecution and defense of (i) the litigation captioned *People of the State of New York v. The National Rifle Association et al.*, Index No. 451625/2020 (Sup. Ct. N.Y.); (ii) the litigation captioned *The National Rifle Association v. Letitia James*, Case No. 1:20-cv-889 (N.D.N.Y. 2020); (iii) the litigation captioned *District of Columbia v. NRA Foundation, Inc. et al.*, (2020 CA 003545 B); and (iv) any additional legal proceedings arising from or relating to the same facts, circumstances, or allegations as the foregoing, wherein the potential for an actual or apparent conflict of interest favors recusal by one or more NRA executives who would customarily oversee such proceedings; and

WHEREAS, in consultation with the Special Litigation Committee, Wayne LaPierre determined that a Chapter 11 reorganization of the NRA along with its wholly owned single member-managed Texas subsidiary, Sea Girt, would advance the best interests of the NRA, its members, and its mission, as well as the interests of Sea Girt; now, therefore, be it

RESOLVED that the commencement of a Chapter 11 reorganization proceeding in the United States District Court for the Northern District of Texas on behalf of the NRA and its wholly owned, single member-managed limited liability company, Sea Girt, is hereby authorized and directed; and be it further

RESOLVED that the NRA and Sea Girt shall retain, as debtor's counsel in connection with such reorganization proceeding, the firm of Neligan LLP; and be it further

RESOLVED that the NRA and Sea Girt shall retain the firm of Brewer, Attorneys & Counselors ("BAC") as special counsel to prosecute and defend certain non-bankruptcy matters during the course of such Chapter 11 proceeding, including the prepetition matters presently handled by BAC.

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Executed this 15th day of January, 2021.

By: Wayne LaPierre
Wayne LaPierre
Executive Vice President

**ACKNOWLEDGED AND AGREED BY
SPECIAL LITIGATION COMMITTEE:**

By: _____
Carolyn Meadows
Committee Chair

By: _____
Charles Cotton

By: _____
Willes Lee

Executed this 15th day of January, 2021.

By: _____
Wayne LaPierre
Executive Vice President

**ACKNOWLEDGED AND AGREED BY
SPECIAL LITIGATION COMMITTEE:**

By: Carolyn Meadows
Carolyn Meadows
Committee Chair

By: _____
Charles Cotton

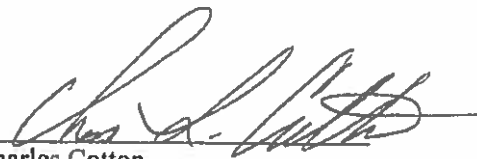
By: _____
Willes Lee

Executed this 15th day of January, 2021.

By: _____
Wayne LaPierre
Executive Vice President

**ACKNOWLEDGED AND AGREED BY
SPECIAL LITIGATION COMMITTEE:**

By: _____
Carolyn Meadows
Committee Chair

By:  _____
Charles Cotton

By: _____
Willes Lee

Executed this 15th day of January, 2021.

By: _____
Wayne LaPierre
Executive Vice President

**ACKNOWLEDGED AND AGREED BY
SPECIAL LITIGATION COMMITTEE:**

By: _____
Carolyn Meadows
Committee Chair

By: _____
Charles Cotton

By:  _____
Willes Lee

EXHIBIT 11

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|---|---|
| <p>Page 1</p> <p>1 2 3 4 5 6 7 ----- 8 TRANSCRIPTION OF AUDIO FILE 9 341 MEETINGS OF CREDITORS (CONTINUED) 10 SEA GIRT, LLC 11 BANKRUPTCY CASE NO. 21-30080 12 AND 13 NATIONAL RIFLE ASSOCIATION OF AMERICA 14 BANKRUPTCY CASE NO. 21-30085 15 MARCH 5, 2021 16 ----- 17 18 19 20 21 22 23 24 25</p> | <p>Page 3</p> <p>1 finances of the Debtor. 2 The U.S. Trustee will commence the 3 questioning, as the last time, and we will reserve 4 follow-up questioning after the other examinations. So 5 we're anticipating that the press may be on the line, 6 but they will not be asking questions. In accordance 7 with the 341 Notice, the Unsecured Creditors' Committee, 8 the New York Attorney General, the D.C. Attorney 9 General, and the Ackerman Firm asked for time to ask 10 multiple questions. 11 Other parties who are on the line in 12 listen-only mode will be allowed to ask brief 13 questions -- one or two -- at -- at the end of the 14 session when the line is opened up. Although this 15 meeting is being conducted telephonically, the same 16 rules of conduct apply to the professionals as though we 17 were in person; so the same rules about coaching a 18 witness and availability of materials. We understand 19 that if the witnesses refer to documents or another 20 per -- person for information, they should inform the 21 examiner -- the -- or the questioner. 22 During breaks, witnesses should not discuss 23 their testimony. The witnesses were sworn at the last 24 session. I'm going to remind them that they were 25 previously sworn and they are still under oath. I</p> |
| <p>Page 2</p> <p>1 THE OPERATOR: At this time, all 2 participants are in a listen-only mode until the 3 question-and-answer session of today's conference. At 4 that time, you may press star 1 on your phone to ask a 5 question. I will now turn the conference over to Lisa 6 Lambert. 7 Thank you. You may begin. 8 THE U.S. TRUSTEE: Thank you. 9 Hello. Welcome, everyone. My name is 10 Lisa Lambert. It is March 5th, 2021, at 1:10 p.m., 11 Central Time. At this time, I call the Chapter 11 12 341 Meeting (continued) for Sea Girt, LLC, Bankruptcy 13 Case No. 21-30080, and the National Rifle Association of 14 America, Bankruptcy Case No. 21-30085. My name is Lisa 15 Lambert. I am an Assistant U.S. Trustee in the Dallas 16 office of the U.S. Trustee. 17 At the prior meeting, I explained the 18 nature of the 341 Meeting, but I want to remind everyone 19 that to participate in this 341 Meeting, you must be a 20 Creditor or, otherwise, entitled to ask questions as a 21 party and interest in the bankruptcy case under 22 Section 343 of the Bankruptcy Code. Questioners must 23 state their names and indicate who they represent or the 24 nature of their interest in the case. Questions should 25 be limited to this bankruptcy proceeding and</p> | <p>Page 4</p> <p>1 understand these witnesses are -- and I'm going to ask 2 you to say your name and your role with the Debtor, so 3 that it's easier for any transcriber to transcribe the 4 recording. 5 So, first, Mr. LaPierre? 6 MR. LaPIERRE: Yes. This is Wayne 7 LaPierre, and it's the Executive Vice President of the 8 National Rifle Association. 9 THE U.S. TRUSTEE: Sonya Rowling? 10 MS. ROWLING: Yes. Sonya Rowling, Acting 11 CFO of the National Rifle Association. 12 THE U.S. TRUSTEE: Robert Owens? 13 MR. OWENS: Robert Owens, Fiscal Officer 14 for the Institute for Legislative Action under the 15 National Rifle Association. 16 THE U.S. TRUSTEE: David Warren? 17 MR. WARREN: Yes. David Warren, CFO, 18 For-Profit Entity. 19 THE U.S. TRUSTEE: Finally, John Frazer? 20 MR. FRAZER: Good afternoon. I'm John 21 Frazer. I'm the Secretary and General Counsel of the 22 NRA. 23 THE U.S. TRUSTEE: Thank you. 24 As I mentioned, you have all been 25 sworn. We had an agreement at the last</p> |

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1 341 Meeting that the testimony of one of you would be
 2 corrected or clarified, if necessary, by another; and
 3 that the testimony of one is, essentially, the same as
 4 the testimony of the others. I understand that we still
 5 have a deal on that. If I don't hear any objections, we
 6 will proceed with that understanding.
 7 Hearing no objections, we will proceed. So
 8 the U.S. Trustee is going to start with questions about
 9 Sea Girt, LLC and then I'm going to pass the examination
 10 to the Unsecured Creditors' Committee. In the Sea Girt,
 11 LLC case, the United States Trustee was provided with
 12 the Special Litigation Counsel (sic) authorization. So
 13 that was done by Ms. Edwards (sic) for the -- for the
 14 benefit of the National Rifle Association, and she was
 15 the one who selected three members. Is that right?
 16 MR. FRAZER: Ms. Lambert, this is
 17 John Frazer. I'm not sure I understand. You said
 18 "Ms. -- Ms. Edwards"?
 19 THE U.S. TRUSTEE: President Carolyn
 20 Meadows.
 21 MR. FRAZER: Oh, okay. Thank you.
 22 THE U.S. TRUSTEE: Was Ms. Meadows the
 23 person who established the Special Litigation Committee?
 24 MR. FRAZER: This is John Frazer. Yes, she
 25 was.

Page 6

1 THE U.S. TRUSTEE: Why was the Special
 2 Litigation Committee necessary, in addition to the
 3 general litigation committee?
 4 MR. FRAZER: Excuse me. This is John,
 5 again. Yes. The -- there -- the reason for
 6 establishing the Special Litigation Committee was to
 7 provide for -- you know, as indicated in her
 8 announcement of its establishment, was to provide for
 9 management of litigation matters on which, you know,
 10 those who would normally engage in such management may
 11 be conflicted.
 12 THE U.S. TRUSTEE: Who on the litigation
 13 committee would have been conflicted?
 14 MR. FRAZER: I -- I'm -- I -- I'm sorry,
 15 you are referring to -- to -- are you referring to
 16 other -- other NRA committees --
 17 THE U.S. TRUSTEE: Yes. I'm referring --
 18 MR. FRAZER: -- or to -- or to --
 19 THE U.S. TRUSTEE: -- to the NR --
 20 MR. FRAZER: -- or to -- or to -- or to
 21 staff? The --
 22 THE U.S. TRUSTEE: No. I'm ref -- I'm
 23 refer -- referring to the NRA litigation committee.
 24 There's a separate one there that, according to the
 25 minutes, exists, right?

Page 7

1 MR. FRAZER: We have a -- we have a Legal
 2 Affairs Committee, yes.
 3 THE U.S. TRUSTEE: Okay. And does the
 4 Legal Affairs Committee consist of any of the officers.
 5 MR. FRAZER: Well, all -- under the NRA
 6 bylaws, all of the officers of ex officio members of
 7 the -- of the committees. However, I -- I think the
 8 role is a little bit different here. The Special
 9 Litigation Committee has the authority to engage in
 10 actual management of the litigation, as opposed to the
 11 more general reporting and oversight that the -- that
 12 the Legal Affairs Committee, historically, has done.
 13 THE U.S. TRUSTEE: Is it the Debtor's view
 14 that the authorization in the Special Litigation
 15 Committee authorize the filing of the bankruptcy case?
 16 MR. FRAZER: Our view is that -- is that it
 17 is, essentially, a belt-and-suspenders approach. That
 18 Mr. LaPierre had the authority to authorize the filing
 19 and that he did so with the full, you know, knowledge,
 20 understanding, and -- and agreement of the SLC.
 21 MR. LaPIERRE: And, Ms. --
 22 THE U.S. TRUSTEE: Does it --
 23 MR. LaPIERRE: -- Lambert, I -- ye -- yes.
 24 This -- this is -- this is Wayne LaPierre. Yes. It --
 25 I mean, it's -- what the Board of Directors did -- and I

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1 wasn't in the room at the time, but -- because it was a
 2 contract involving me that they were talking about. But
 3 in a contract that the Board approved, when I was out of
 4 the room, for my employment through the September board
 5 meeting. And then they added an option for a year or
 6 two to use my name, if they wanted to at their -- at
 7 their discretion, not mine.
 8 There was a second part of that resolution
 9 that the Board passed, delegating to the Executive Vice
 10 President the authority to reorganize, and -- and -- and
 11 that would be to -- to reorganize into the Chapter 11
 12 file -- ask the court -- court judge's permission, under
 13 that Chapter 11 filing -- to -- to -- to -- for the
 14 bankruptcy and for the reorganization in -- in Texas.
 15 But that was in part of the contract that was approved
 16 by the full Board of Directors.
 17 THE U.S. TRUSTEE: I guess I'm asking a
 18 little different question, which was: Was the Special
 19 Litigation Committee general authorization to litigate
 20 and authorize actions arising out of the other pending
 21 litigations, such as the New York Attorney General's
 22 action, viewed as authorization necessary for the
 23 bankruptcy filing?
 24 MR. BUNCHER: This is Doug. I don't
 25 understand the question and it sounds like it's asking

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| <p style="text-align: right;">Page 9</p> <p>1 for a legal opinion about whether --</p> <p>2 THE U.S. TRUSTEE: No. I'm just asking for</p> <p>3 any understanding of the witnesses about the role of the</p> <p>4 Special Litigation Committee and why it was involved in</p> <p>5 the bankruptcy filings.</p> <p>6 MR. BUNCHER: John, I thought you answered</p> <p>7 that, but you can answer it again.</p> <p>8 MR. LaPIERRE: This -- this -- this is</p> <p>9 Wayne. I -- I -- I think the Special Litigation wa --</p> <p>10 Committee was formed. And in order for it to have its</p> <p>11 full weight, it had to be approved by the -- by the full</p> <p>12 Board of Directors -- by a majority of the Board of</p> <p>13 Directors present at the meeting -- which was done in</p> <p>14 Dallas -- which gives the Special Litigation Committee,</p> <p>15 made up of the three Officers -- Carolyn Meadows, Willes</p> <p>16 Lee and Charles Cotton -- the authority to oversee the</p> <p>17 NRA legislation because of -- I -- or Wayne LaPierre and</p> <p>18 John Frazer would be conflicted in term -- if we</p> <p>19 overseed (sic) it.</p> <p>20 So it was approved by a majority of the</p> <p>21 Board present to the Special Litigation Committee to</p> <p>22 oversee the NRA litigation, which it -- which John and I</p> <p>23 are not a part of any of those meetings.</p> <p>24 MR. FRAZER: And --</p> <p>25 MR. LaPIERRE: I think, separately, the --</p> | <p style="text-align: right;">Page 11</p> <p>1 there's nobody from the Board on the call. Who are you</p> <p>2 directing the question to?</p> <p>3 THE U.S. TRUSTEE: Well, I'm asking what</p> <p>4 the understanding of this resolution was.</p> <p>5 MR. BUNCHER: John, I think maybe you can</p> <p>6 speak to that.</p> <p>7 MR. FRAZER: Yeah, I -- I will.</p> <p>8 And, Ms. Lambert, I want to apologize. I</p> <p>9 started to answer when -- the -- the previous question</p> <p>10 that was directed to me and realized -- after -- after</p> <p>11 Mr. LaPierre started talking, I realized that I had it</p> <p>12 muted. So my -- my apologies for the error. The -- no,</p> <p>13 I -- I think that -- I think that the understanding is</p> <p>14 that all -- is that these provisions work together.</p> <p>15 That to the extent that -- you know,</p> <p>16 that -- that the employment contract, approved by the</p> <p>17 Board, gives Mr. LaPierre the authority to -- to make</p> <p>18 these decisions. But that, also, the mandate to the</p> <p>19 Special Litigation Committee -- to the extent that --</p> <p>20 you know, that we are dealing with any related issues,</p> <p>21 puts them in a position to -- to -- to, you know,</p> <p>22 oversee and support that.</p> <p>23 THE U.S. TRUSTEE: All right. I want to</p> <p>24 circle back then. The litigation over -- the Legal</p> <p>25 Affairs Committee oversees the litigation of the NRA as</p> |
| <p style="text-align: right;">Page 10</p> <p>1 in that contract, the Board authorized the Executive</p> <p>2 Vice President to -- to reorganize and I did it in</p> <p>3 consultation with the three Officers who represent the</p> <p>4 Special Litigation Committee.</p> <p>5 THE U.S. TRUSTEE: All right. So let's go</p> <p>6 back.</p> <p>7 MR. FRAZER: And -- and -- and --</p> <p>8 THE U.S. TRUSTEE: The language I'm look --</p> <p>9 MR. FRAZER: -- and, Ms. Lambert --</p> <p>10 Ms. La --</p> <p>11 THE U.S. TRUSTEE: The language I'm --</p> <p>12 MR. FRAZER: Ms. Lambert, this is --</p> <p>13 THE U.S. TRUSTEE: -- looking at is, Any</p> <p>14 additional legal proceedings arising from the same</p> <p>15 facts, circumstances or allegations as the foregoing,</p> <p>16 which was the State of New York versus the NRA, the NRA</p> <p>17 versus Letitia James or the District of Columbia</p> <p>18 litigation. Any additional legal proce -- proceedings</p> <p>19 arising from the same facts; wherein, the potential for</p> <p>20 a natural or apparent conflict of interest favors</p> <p>21 recusal by one or more NRA executives, who would</p> <p>22 customarily oversee such proceedings.</p> <p>23 Was that the language that the Board viewed</p> <p>24 as rela -- authorizing the bankruptcy filing?</p> <p>25 MR. BUNCHER: Wait a second. The Board --</p> | <p style="text-align: right;">Page 12</p> <p>1 well; is that right?</p> <p>2 MR. BUNCHER: Right.</p> <p>3 MR. FRAZER: Yeah. The Legal Affairs</p> <p>4 Committee is one of -- you know, one of a few dozen</p> <p>5 committees of -- of the association, which are -- you</p> <p>6 know, appointed by the President. They may include --</p> <p>7 in fact, the Legal Affairs Committee does include</p> <p>8 non-Board Members and, therefore, can't have corporate</p> <p>9 authority delegated to it. And so those association</p> <p>10 committees, typically, have more of a general oversight</p> <p>11 role. You know, typically, we will -- we'll meet with</p> <p>12 them.</p> <p>13 We'll -- we'll report to them on legal --</p> <p>14 legal matters affecting the association, both on the</p> <p>15 corporate side and on the Second Amendment advocacy</p> <p>16 side. The committee -- you know, it will -- the --</p> <p>17 the -- there will usually be a little bit of</p> <p>18 brainstorming about legal strategy and so on and then</p> <p>19 the committee will give a report to the full Board, and</p> <p>20 not usually with a lot of action items, because that</p> <p>21 committee typically doesn't -- doesn't get involved in</p> <p>22 day-to-day management.</p> <p>23 THE U.S. TRUSTEE: So the Special Liti --</p> <p>24 Litigation Committee resolution is undated. But it's</p> <p>25 the testimony that it was approved at the January 2021</p> |

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| <p style="text-align: right;">Page 13</p> <p>1 Dallas board meeting; is that right?</p> <p>2 MR. FRAZER: Are you referring to this --</p> <p>3 to the resolution creating and -- and delegating</p> <p>4 authority to the Special Litigation Committee?</p> <p>5 THE U.S. TRUSTEE: Yes, from the Board.</p> <p>6 MR. FRAZER: Yes. Yes, that was adopted at</p> <p>7 the January 7th, 2021 meeting.</p> <p>8 THE U.S. TRUSTEE: At the bottom, there is</p> <p>9 some interlineations about who moved and --</p> <p>10 MR. FRAZER: Right.</p> <p>11 THE U.S. TRUSTEE: -- and who approved.</p> <p>12 Whose notes would those be?</p> <p>13 MR. FRAZER: I think you have two lines of</p> <p>14 notes there. One is my handwriting indicating who --</p> <p>15 in -- indicating that it was moved by Mr. Rathner and --</p> <p>16 and seconded by Mr. Coy. I -- I separate those with a</p> <p>17 slash, typically, just to keep them straight. And then</p> <p>18 I left the room and I think -- you know, because I</p> <p>19 didn't -- I didn't see who wrote the handwritten notes</p> <p>20 at -- at the bottom, but I -- I think it was probably</p> <p>21 Charles Cotton, who was presiding during the Executive</p> <p>22 Session.</p> <p>23 THE U.S. TRUSTEE: Okay. And there was no</p> <p>24 separate, specific authorization at -- to establish Sea</p> <p>25 Girt at the October meeting, right -- board meeting?</p> | <p style="text-align: right;">Page 15</p> <p>1 Mr. Neligan, right?</p> <p>2 MR. WARREN: That's correct.</p> <p>3 THE U.S. TRUSTEE: And it's contemplated</p> <p>4 that the retainer of Mr. Garman will be paid out of</p> <p>5 delegate -- out of Brewer funds, right?</p> <p>6 MR. FRAZER: This is John Frazer. I</p> <p>7 believe that's -- that -- I believe that's correct, but</p> <p>8 I would have to verify.</p> <p>9 THE U.S. TRUSTEE: What other expenses of</p> <p>10 the National Rifle Association would come out of the</p> <p>11 Brewer funds?</p> <p>12 MR. WARREN: The -- the only funds that</p> <p>13 were -- that were to come out of the -- that fund were</p> <p>14 to fund the Sea Girt account, as well as associated</p> <p>15 expenses -- primarily, legal expenses -- to this point.</p> <p>16 THE U.S. TRUSTEE: You say "primarily legal</p> <p>17 expenses." What other kinds of expenses that were not</p> <p>18 legal would have been paid out of that account?</p> <p>19 MR. WARREN: At the time of the petition,</p> <p>20 there was a payment to the -- to the -- the Chief</p> <p>21 Restructuring contract was funded out of that account,</p> <p>22 and that -- that was the only other, outside of a legal</p> <p>23 nature.</p> <p>24 THE U.S. TRUSTEE: If the NRA authorized</p> <p>25 the transfer of \$50,000, why would that transfer not</p> |
| <p style="text-align: right;">Page 14</p> <p>1 MR. FRAZER: No.</p> <p>2 THE U.S. TRUSTEE: And there was no</p> <p>3 specific authorization to approve Sea Girt at the</p> <p>4 January 2021 board meeting, right?</p> <p>5 MR. FRAZER: No.</p> <p>6 THE U.S. TRUSTEE: I want to talk about the</p> <p>7 Sea Girt bank status. So the records reflect that</p> <p>8 \$50,000 came in from the Texas Equal Access to Justice</p> <p>9 account and -- and would that have been -- who --</p> <p>10 whose -- whose account would that have been?</p> <p>11 MR. WARREN: The -- excuse me, the -- this</p> <p>12 is David Warren. If -- if I understand your question</p> <p>13 correctly, the -- are you asking whose account did the</p> <p>14 \$50,000 originate from?</p> <p>15 THE U.S. TRUSTEE: Yes, on January 14th.</p> <p>16 MR. WARREN: That -- that transfer would</p> <p>17 have been originated -- excuse me, originated from the</p> <p>18 trust balance that was held with brew -- the Brewer Firm</p> <p>19 in the name of the NRA.</p> <p>20 THE U.S. TRUSTEE: And the NRA has provided</p> <p>21 an authorization of 50,000 of its funds to go into this</p> <p>22 account, right -- into the Sea Girt account, right?</p> <p>23 MR. WARREN: That's correct.</p> <p>24 THE U.S. TRUSTEE: And the Brewer Firm also</p> <p>25 transferred funds that were used to pay the retainers of</p> | <p style="text-align: right;">Page 16</p> <p>1 have occurred out of the NRA's accounts?</p> <p>2 MR. BUNCHER: Don't speculate. If somebody</p> <p>3 knows the answer, answer, but --</p> <p>4 MR. WARREN: This is -- this -- this is</p> <p>5 David Warren. I -- I'm not aware, specifically, why</p> <p>6 that was funded out of that account.</p> <p>7 THE U.S. TRUSTEE: And the final transfer</p> <p>8 of funds reflects that the National Rifle Association</p> <p>9 transferred funds out of Sea Girt. Did those funds go</p> <p>10 into a Debtor in Possession account for Sea Girt or did</p> <p>11 they go into the National Rifle Association's Debtor in</p> <p>12 Possession account?</p> <p>13 MR. WARREN: In -- in clar -- in -- in</p> <p>14 clarification, are you referring to the -- the -- the --</p> <p>15 the transfer out of the Sea Girt bank account --</p> <p>16 THE U.S. TRUSTEE: In Feb -- yes, I am --</p> <p>17 MR. WARREN: -- for the business --</p> <p>18 THE U.S. TRUSTEE: -- in February of 2021.</p> <p>19 MR. WARREN: Yes. That -- that transfer</p> <p>20 was made to the NRA -- to an NRA bank account due to</p> <p>21 the -- the direction that the Sea Girt bank institution</p> <p>22 was not an approved institution.</p> <p>23 THE U.S. TRUSTEE: So a separate Debtor in</p> <p>24 Possession account was not established for Sea Girt; is</p> <p>25 that right?</p> |

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| <p style="text-align: right;">Page 17</p> <p>1 MR. WARREN: It -- it's in process. So it 2 is in process. It just hasn't been final -- finalized. 3 THE U.S. TRUSTEE: Where is it -- 4 MR. BUNCHER: Ms. Lambert -- 5 THE U.S. TRUSTEE: Where is it -- 6 MR. BUNCHER: Ms. Lambert, if I could 7 clarify one thing. On the Garman retainer, according to 8 their application, only part of their retainer is coming 9 from the Brewer Trust Fund. The rest of it is coming 10 from the NRA itself -- 11 THE U.S. TRUSTEE: Thank you. 12 MR. BUNCHER: -- for the record. 13 THE U.S. TRUSTEE: Going back, where will 14 the Sea Girt Debtor in Possession account be opened? 15 MR. ROWLING: This is Sonya Rowling. 16 The -- the bank account is with Prosperity and we are in 17 the process of just getting the paperwork to them. 18 There was a delay because of the weather and then I -- 19 the paperwork has all been provided at this point. 20 THE U.S. TRUSTEE: Okay. I said I would go 21 half an hour. So I'm going to pass the witness, 22 reserving my questions. The witness is passed to the 23 Unsecured Creditors' Committee. 24 MR. HENDRIX: Thank you, Ms. Lambert. Nick 25 Hendrix, Norton Rose Fulbright, proposed committee for</p> | <p style="text-align: right;">Page 19</p> <p>1 question on is: There's a \$1.5 million payment to 2 Winston & Strawn, who I understand is counsel for 3 Mr. Cox in some of the litigation. Why is the NRA 4 making those payments? 5 MR. FRAZER: This -- this is -- this is 6 John -- this is John Frazer. The payment was ordered by 7 the arbitrator in the dispute. 8 MR. HENDRIX: Is there, like, an indemnity 9 agreement or is it just part of the arbitration? 10 MR. FRAZER: I don't know how much I can 11 answer without violating the confidentiality of that 12 proceeding. 13 MR. HENDRIX: Okay. I know we talked about 14 this next one a little bit at the last 341 Meeting. 15 There's a \$2.5 million payment to the New York 16 Department of Financial Services. What is the genesis 17 for that payment? 18 MR. FRAZER: This is John -- this is John 19 Frazer, again. That was a settlement of the -- of -- 20 you know, resulting from an investigation of some of 21 our -- the conduct of our Affinity Insurance programs. 22 MR. HENDRIX: And I assume there's a 23 settlement agreement reflecting those that -- I think 24 you mentioned -- had a confidentiality provision in it? 25 MR. FRAZER: That's correct.</p> |
| <p style="text-align: right;">Page 18</p> <p>1 the official -- or proposed counsel for the Official 2 Committee of Unsecured Creditors. I want to start 3 asking a few questions about the NRA's insurance. Does 4 the NRA maintain directors and officers insurance? 5 MR. WARREN: This is David Warren. The 6 answer is, Yes. 7 MR. HENDRIX: Who is that policy with and 8 when, if you know, is the expiration date? 9 MR. BUNCHER: This is Mr. Buncher. We -- 10 that's one of the things we amended in the Schedules, if 11 you will look at the attachment to Question 73 of 12 Schedule A. The policies are listed along with the 13 carrier's name and policy coverage dates. 14 MR. HENDRIX: Okay. In that case, I 15 haven't -- I haven't looked at the amended ones, but can 16 we go ahead and request copies of all of those policies? 17 MR. BUNCHER: I think Kristian asked -- 18 Mr. Gluck asked for those -- one of those yesterday, but 19 I think we can take that up offline. 20 MR. HENDRIX: That's fine. 21 We'll pivot to some of the items on the 22 Schedule of Financial Affairs and start with the 90-day 23 payments. 24 MR. WARREN: Okay. 25 MR. HENDRIX: The first one I have a</p> | <p style="text-align: right;">Page 20</p> <p>1 MR. HENDRIX: Okay. There's also a 2 \$10 million payment to Chain Bridge Bank. What is the 3 purpose of that payment? 4 MR. WARREN: This is David Warren. The -- 5 the -- the interest of that payment was more -- was a -- 6 a bank -- banking diversification distribution, 7 primarily. 8 MR. HENDRIX: On the SOFA, there's a number 9 of -- what appear, to me at least, to be -- individuals 10 who are listed as vendors and suppliers with various 11 payments. Can the NRA provide some additional detail on 12 who these individuals are and, you know, what services 13 they provide to the NRA? 14 MR. BUNCHER: Could you clarify what 15 specific Schedule you are referring to? 16 MR. HENDRIX: It was under the 90-day 17 payments and I -- I apologize, I don't have it right in 18 front of me. But I've got some names: It's David 19 Keene, James Porter, Bart Skelton. They're just kind of 20 intermixed with others who are, you know, plainly, 21 entity vendors and we're just trying to see how some of 22 these individuals wound up under the vendor and supplier 23 list. 24 MR. BUNCHER: David, can you respond to 25 that?</p> |

Page 21

1 MR. WARREN: It -- it -- it appears that
 2 you are referring to the requests for insider qualified
 3 payments. Is that accurate?
 4 MR. HENDRIX: I think so.
 5 MR. WARREN: Okay. Yeah, I think --
 6 MR. HENDRIX: Yes.
 7 MR. WARREN: -- we -- we -- well, I think
 8 we noted -- I believe we noted in the submission the
 9 reason for those payments. But if -- if you don't -- if
 10 they aren't disclosed in your viewpoint, we can
 11 certainly -- certainly share them.
 12 MR. HENDRIX: Okay. Well, we -- we can
 13 just talk about that offline, I think. Looking at some
 14 of these payments to insiders, there's a payment to --
 15 or a number of payments to Marion Hammer and then a
 16 separate payment to Unified Sportsmen of Florida.
 17 Marion Hammer is the Executive Director of the Unified
 18 Sportsmen of Florida; is that your understanding?
 19 MR. OWENS: This is Bob Owens. Yes, that's
 20 correct.
 21 MR. HENDRIX: And it looks like if you
 22 combine those two, she received -- or she and the
 23 Unified Sportsmen of Florida received about \$430,000
 24 over the last 12 months?
 25 MR. OWENS: I can speak to the fact that

Page 22

1 the Institute for Legislative Action pays the Unified
 2 Sportsmen a grant of 18,000 a month and we pay a
 3 quarterly retainer to Ms. Hammer of 12,500 a month.
 4 MR. HENDRIX: In looking at my notes, it
 5 looks like there might be two separate agreements with
 6 Marion Hammer, individually; is that correct? Or is it
 7 just --
 8 MR. LaPIERRE: That's --
 9 MR. HENDRIX: -- one agreement?
 10 MR. LaPIERRE: That's -- that's -- you are
 11 correct. That's -- this is Wayne LaPierre. Yes,
 12 there's the second consulting agreement that she has
 13 with the NRA to do consulting services around the
 14 country on -- on -- on the -- on the Second Amendment
 15 issues to various --
 16 MR. HENDRIX: And I --
 17 MR. LaPIERRE: -- to various other states.
 18 MR. HENDRIX: Okay. I think you have,
 19 then, answered what my next question was going to be,
 20 which is: Why are there two? Is it the case that one
 21 of them is for her activities in Florida and one of them
 22 is for her activities elsewhere?
 23 MR. OWENS: That's --
 24 MR. LaPIERRE: Correct.
 25 MR. OWENS: She's one of --

Page 23

1 MR. LaPIERRE: Correct.
 2 MR. WARREN: Yes.
 3 MR. HENDRIX: And I guess we have seen one
 4 of her agreements that was originally dated January 1,
 5 2018 through December 31st, 2019. And I think it was
 6 originally at \$168,000 year; does that sound right?
 7 It -- I guess I'll ask my actual question about it,
 8 which is: That was then amended, shortly thereafter, on
 9 a -- in April of 2018 to become a ten-year agreement
 10 running through December 31st, 2028, and increased to
 11 \$220,000 per year. And so my question is: Why was that
 12 extended, so shortly after, to be a ten-year agreement?
 13 MR. LaPIERRE: It was negotiated based on
 14 Ms. Hammer's value and -- and her -- and her experience
 15 as, probably, one of the most prominent Second Amendment
 16 figures in the United States and based on -- based on
 17 her qualifications and background and the -- the level
 18 of services that she could provide.
 19 MR. HENDRIX: And, I guess, is there a --
 20 a -- a specific reason why it was extended so quickly to
 21 ten years; why there weren't, you know, continuing
 22 one-year agreements contemplated?
 23 MR. LaPIERRE: Just that we've tremendously
 24 valued her services, as did people around the country,
 25 and -- and we thought it was in the NRA's interest to --

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1 to tie her up to the point where she was -- we were --
 2 people were able -- and the NRA was able -- to receive
 3 her services for years to come.
 4 MR. HENDRIX: And in the context of this
 5 bankruptcy of the NRA, have you given any consideration
 6 to rejecting that executory contract?
 7 MR. LaPIERRE: I don't believe so at -- I
 8 don't believe so.
 9 MR. HENDRIX: I know we've seen
 10 Mr. LaPierre's contract and compensation, and there's
 11 some information on the Schedules relating to payments
 12 made to various officers at the NRA. Are there other
 13 employment contracts for the other officers of the NRA?
 14 MR. WARREN: This is David Warren. Yes,
 15 there are.
 16 MR. HENDRIX: Okay. We'll just go ahead
 17 and make a request for those as well.
 18 And then, finally, does the --
 19 MR. BUNCHER: Excuse me. Excuse me --
 20 MR. HENDRIX: -- NR --
 21 MR. BUNCHER: -- this is --
 22 MR. HENDRIX: Go ahead.
 23 MR. BUNCHER: -- Mr. Buncher. Could you
 24 put your requests in writing, please, and just send
 25 them, instead of making them on the record? Or you can

Page 25

1 make them on the record -- that's fine -- if you feel
2 the need to do that. But if you want to make an
3 information request, just send me an email.
4 MR. HENDRIX: Okay. And I -- I think the
5 reason we are doing it this way is we've kind of been
6 stonewalled. And I understand there's a lot going on;
7 I'm just trying to do my job.
8 And -- and the -- the only other questions
9 I have relate to document requests, so we can -- we can
10 take those off -- offline. And, with that, I will go
11 ahead and pass the witness on to the next Creditor.
12 MR. ACOSTA: Was that Ackerman or was that
13 the New York AG, Lisa?
14 MR. VAN HORN: Ms. Lambert, we can't hear
15 you, if you are letting us know who you would like to go
16 next after the Committee.
17 THE U.S. TRUSTEE: Yes. I -- I'm sorry. I
18 called the New York Attorney General's Office,
19 Mr. Van Horn.
20 MR. VAN HORN: Okay. Thank you.
21 This is Eric Van Horn of Spencer Fane,
22 Counsel to the State of New York, Office of the Attorney
23 General. And, first, I will do the same thing I did
24 last time; to go around the room and make sure ident --
25 voices are identified and to confirm who is in the room

Page 26

1 with you, if anyone, and then please identify them.
2 So, Mr. LaPierre, where are you testifying
3 from, is there anyone in the room with you and, if so,
4 who?
5 MR. LaPIERRE: I -- I am in my office and
6 Vanessa Shahidi is here and Andrew Arulanandam are here.
7 MR. VAN HORN: Okay. Thank you.
8 Mr. Frazer, same question.
9 MR. FRAZER: Yes. I'm -- I'm in my office
10 at NRA headquarters. I'm by myself.
11 MR. VAN HORN: Okay. Mr. Owens?
12 MR. OWENS: This is Robert Owens. I am in
13 my home office and I am by myself.
14 MR. VAN HORN: Okay. Ms. Rowling?
15 MS. ROWLING: Yes. I'm in my office at
16 headquarters and I'm by myself.
17 MR. VAN HORN: Okay. And, I believe,
18 Mr. Warren?
19 MR. WARREN: Yes. I -- I'm in my home
20 office and I'm by myself.
21 MR. VAN HORN: Okay. And does anyone -- or
22 can you please verify if you do -- have any visual
23 communication with any of your -- any of the NRA's
24 lawyers that we're not able to see right now or any
25 other legal counsel?

Page 27

1 MR. LaPIERRE: We do -- I do -- I -- we
2 do -- this is Wayne. I do not.
3 MR. FRAZER: And this John Frazer --
4 MR. OWENS: Mr. Owens, I do not.
5 MR. FRAZER: -- I don't.
6 MR. VAN HORN: Okay. First -- and, I
7 guess, Mr. Buncher, this will be somewhat to -- to you,
8 but I do have a question for the witnesses -- or at
9 least any witness who can answer.
10 We -- with respect to excise tax returns, I
11 know we've -- we have asked for those -- Mr. Sheehan
12 from the New York Attorney General's Office asked, and I
13 believe Mr. Pronsky has asked Mr. Neligan. I don't
14 believe we have received those yet and so we'll be
15 making a -- a fol -- an additional request for those,
16 Mr. Buncher.
17 But for Mr. Frazer or Mr. LaPierre, is
18 there any reason why those have not yet been provided
19 after these multiple requests?
20 MR. FRAZER: This is John Frazer. I'm not
21 aware of -- I'm not aware of those requests, I don't
22 think.
23 MR. LaPIERRE: Yeah. This is Wayne, I --
24 I -- my answer is the same as John's. I -- I'm not
25 aware that they were -- they -- they were requested

Page 28

1 either.
2 MR. BUNCHER: And -- okay. What
3 specifically are you asking for?
4 MR. VAN HORN: They are considered -- or
5 the excise tax return, so the -- and we can certainly
6 send another request. You may not have been on those
7 emails between Mr. Pronsky and Mr. Neligan, Mr. Buncher,
8 so we will submit those again. But from what I am
9 hearing from the witnesses, no witness has a -- a
10 reason, at least, that they know of yet as to -- or
11 knowledge that those were -- requests were made and why
12 they -- they haven't been yet provided.
13 MR. BUNCHER: And -- and -- and let me just
14 ask you: Are you asking for these for discovery
15 purposes in connection with the pending motions or for
16 some other reason?
17 MR. VAN HORN: No. No. This would relate
18 to the -- to the Statement -- the Schedules and
19 Statement of Financial Affairs that relate to excess
20 benefit transactions and trying to, you know, understand
21 whether the Schedules and Statements of Financial
22 Affairs are accurate. So they relate to -- to what we
23 are here about today as well.
24 MR. BUNCHER: Okay. It sounds like it's
25 crossing over into both, is what you are ask is

Page 29

1 (phonetic). That's what it sounds like to me, but in
2 any event --
3 MR. VAN HORN: And, I guess, also, you
4 know, it may be something that Ms. Lambert and the
5 U.S. Trustee's Office is interested in.
6 So I don't know if -- Ms. Lambert, if
7 you -- if you have any other interest in that, but we
8 could certainly make sure you are included on that
9 additional request that we'll make --
10 MR. BUNCHER: And -- and --
11 MR. VAN HORN: -- after today's meeting.
12 MR. BUNCHER: -- did you clarify what tax
13 years you're speaking about?
14 MR. VAN HORN: I believe the last, you
15 know, three full tax years.
16 MR. BUNCHER: Right, and -- because I don't
17 know that 2020, for example, has even been finalized.
18 So are -- what years are you asking for?
19 MR. VAN HORN: So ev -- three -- any -- the
20 three full years that have been completed -- the last
21 three full years that have been completed.
22 MR. BUNCHER: Okay.
23 MR. LaPIERRE: Okay.
24 MR. VAN HORN: Okay. With respect to
25 Sea Girt -- I guess I will start with Mr. LaPierre.

Page 30

1 Mr. LaPierre, is Sea Girt a -- a for-profit
2 or not-for-profit entity?
3 MR. BUNCHER: I'm sorry, but didn't we
4 cover this in the last meeting?
5 MR. VAN HORN: I don't -- I don't know if
6 we cov -- covered this exact question, but there's -- it
7 just seems like there's some inconsistency with some of
8 the documents where it's not clear whether it's for
9 profit or not for profit. And so I wanted to get the
10 witness' understanding of whether it's for profit or not
11 for profit.
12 MR. BUNCHER: I think Ms. Lambert covered
13 this in the first meeting, but go ahead.
14 MR. VAN HORN: Yeah. Mr. LaPierre?
15 MR. LaPIERRE: So let me refer -- let me
16 refer to -- it to -- to John Frazer, the legal counsel,
17 and if -- if I could have -- defer that question to him.
18 MR. FRAZER: Yeah. This -- this is -- this
19 is John Frazer. My understanding is that, in Texas,
20 you -- you form a -- you form all the LLCs for profits
21 and then take additional steps to convert them to a
22 nonprofit.
23 MR. VAN HORN: Have the steps -- so have
24 the steps been made yet to convert it to a not for
25 profit?

Page 31

1 MR. FRAZER: Not to my knowledge.
2 MR. VAN HORN: So as we sit here today,
3 Sea Girt is a for-profit entity --
4 MR. FRAZER: To the best --
5 MR. VAN HORN: -- is that --
6 MR. FRAZER: -- of my knowledge.
7 MR. VAN HORN: Okay. And that's
8 Mr. Frazer?
9 MR. FRAZER: Yes.
10 MR. VAN HORN: With respect to board
11 meetings and executive sessions -- I guess, maybe, I
12 will start with Mr. Frazer on this one -- did you -- are
13 you part of any executive sessions that are conducted by
14 the Board at meetings?
15 MR. FRAZER: Thanks. This is -- this is
16 John Frazer. It depends on the subject matter. You
17 know, the procedure when you go into Executive Session
18 is to -- is that the Board determines who should remain
19 in the -- in the room, and who that should be depends on
20 the subject matter of -- of the -- to be -- to be
21 discussed in the session. So, for example, you know,
22 when officer compensation is discussed, the -- those --
23 the people whose compensation is being considered
24 can't -- are -- are not allowed to be in the room, and
25 so we leave.

Page 32

1 But, you know, so it depe -- so I'm present
2 or not present -- or just like anyone else, I'm present
3 or not present depending on the subject.
4 MR. VAN HORN: Okay. And are minutes kept
5 or notes from those executive sessions, to your
6 knowledge?
7 MR. FRAZER: Speaking only for myself, I
8 keep some notes to keep straight. For example, if is
9 motion is offered, who -- who -- who -- who moved it,
10 who seconded it, what the vote was.
11 MR. VAN HORN: Is there anyone else on
12 the -- other witnesses know whether or not minutes are
13 kept for the Executive Session that the Board enters
14 into?
15 MR. LaPIERRE: This -- this is Wayne. I --
16 I would defer to John Frazer. He's the Secretary of the
17 NRA and -- and -- and he has the most knowledge on that.
18 MR. VAN HORN: Okay. And, Mr. Frazer, your
19 testimony is you're -- you -- or, I guess, I'm -- just
20 to be clear, do you know or not know whether official
21 minutes from executive sessions are kept?
22 MR. FRAZER: We do not keep formal minutes
23 of these -- of the proceedings in Executive Session.
24 MR. VAN HORN: Thanks. So in the min --
25 in -- in the minutes of the January 7th, 2021 board

Page 33

1 meeting, there's a reference to the Executive Session
 2 entered into for -- to discuss Mr. LaPierre's contract.
 3 Are you familiar with that?
 4 MR. FRAZER: Yes, I am.
 5 MR. VAN HORN: And there -- the minutes
 6 reflect that the Board -- the Executive Session was
 7 conducted and -- and then concluded with the approval of
 8 Mr. LaPierre's contract; is that your understanding?
 9 MR. FRAZER: That's correct.
 10 MR. VAN HORN: And that it was subject
 11 to -- subject to, I guess, further documentation of a
 12 choice-of-law or choice-of-venue provision in this
 13 contract. Are you familiar with that?
 14 MR. FRAZER: Yes.
 15 MR. VAN HORN: So for tho -- for that to be
 16 reported in the minutes, how is that -- information go
 17 from the Executive Session and then get reported into
 18 the minutes?
 19 MR. FRAZER: Yeah. During the -- during
 20 the Executive Session, there is -- is either a motion or
 21 just a request that, without objection, the act -- that
 22 the actions taken in -- in Executive Session be reported
 23 upon conclusion of the Executive Session.
 24 MR. VAN HORN: And so for that
 25 particular -- or for the Executive Session -- for that

Page 34

1 to be reported -- who would be taking notes or how would
 2 those notes be taken in order to properly reflect the
 3 motion being made, seconded, and then a vote?
 4 MR. FRAZER: The -- I'm not sure I
 5 understand the question.
 6 MR. VAN HORN: How -- if there are no
 7 formal Executive Session minutes kept, how do -- how do
 8 the actions of the -- of the Board in Executive Session
 9 get properly documented into the minutes of the board
 10 meeting, if there are no official minutes of the
 11 Executive Session kept?
 12 MR. FRAZER: Well, the -- when -- after
 13 rising from Executive Session, the -- the -- the --
 14 the -- you know, the Chair will announce that during the
 15 exec -- you know, announce what happened during the
 16 Executive Session.
 17 MR. VAN HORN: And so the Chair may have
 18 some -- some notes or some other re -- other -- I guess
 19 other written notes to show what -- what happened in
 20 order to make that report?
 21 MR. FRAZER: Possibly. I -- possibly, but
 22 it's usually -- you know, it's usually a matter of -- of
 23 minutes or -- minutes as in time, not as in records,
 24 between the conclusion of the Executive Session and
 25 the -- and the matter being announced. But it's very

Page 35

1 fresh in everyone's minds.
 2 MR. VAN HORN: Well, with respect to this
 3 particular Executive Session, discussing Mr. LaPierre's
 4 contract, who was the Chair who would have taken those
 5 notes and made that report to -- for the minutes?
 6 MR. FRAZER: Mr. -- Mr. Cotton, the First
 7 Vice President, was in the Chair.
 8 MR. VAN HORN: Okay. And he's a signatory,
 9 on behalf of the NRA to the contract that was approved,
 10 to your knowledge?
 11 MR. FRAZER: Yes.
 12 MR. VAN HORN: Were you present in that
 13 Executive Session?
 14 MR. FRAZER: I was.
 15 MR. VAN HORN: You were? Okay.
 16 And, then, any other witnesses --
 17 Mr. Warren, Ms. Rowling, Mr. Owens -- were either (sic)
 18 of you present in that Executive Session?
 19 MR. OWENS: No.
 20 MS. ROWLING: No.
 21 MR. WARREN: And this is Mr. Warren, no.
 22 MR. VAN HORN: Okay. And, Mr. Owens, were
 23 you present?
 24 MR. OWENS: No.
 25 MR. VAN HORN: Okay. Mr. Frazer, so as --

Page 36

1 with -- with respect to Mr. LaPierre's contract, there
 2 was -- the min -- the minutes reflect that it did not
 3 have a choice of law -- or subject to further, I guess,
 4 modifications to -- or inclusion of a choice-of-law/
 5 choice-of-venue provision. Are you -- you are familiar
 6 with that -- that notation in the minutes?
 7 MR. FRAZER: Yes.
 8 MR. VAN HORN: So was the contract that was
 9 provided to the Board -- it -- it just didn't have those
 10 links filled in or those provisions filled in at that
 11 time?
 12 MR. FRAZER: I did not review the contract
 13 prior to the debate.
 14 MR. VAN HORN: Were the Board Members
 15 provided a copy of -- of the contract?
 16 MR. FRAZER: Yes, they were.
 17 MR. VAN HORN: And did that contract
 18 have -- have or not have the -- the choice-of-law/
 19 choice-of-venue provisions for Texas law included in it?
 20 MR. FRAZER: I -- as I said, I didn't
 21 review the contract prior to the -- you know, prior to
 22 the mo -- to the motion.
 23 MR. BUNCHER: Can I ask a clarify -- this
 24 is Mr. Buncher, just to clarify the record.
 25 Do you know, Mr. Frazer, if there are notes

Page 37

1 from the Executive Session of the January 7th board
 2 meeting or not?
 3 MR. FRAZER: I have some -- I have some
 4 notes from the Executive Session, yes.
 5 MR. VAN HORN: Okay. Mr. Frazer, at
 6 what -- you know, what date -- if you've got a -- can
 7 give a -- an approximate -- or just an exact date --
 8 were you -- did you become aware of the -- the plan to
 9 file bankruptcy for the NRA and Sea Girt?
 10 MR. FRAZER: I -- I became aware sometime
 11 last fall that -- that such a plan might be -- might be
 12 considered.
 13 MR. VAN HORN: Okay. And in the Executive
 14 Session that you attended, was the Board told that the
 15 contract that they were considering was -- also
 16 authorized the filing of bankruptcy?
 17 MR. FRAZER: Well, I --
 18 MR. BUNCHER: And we may be getting into
 19 privileged matters at this point. I'm going to object
 20 to the extent the question calls for attorney-client
 21 communication.
 22 MR. VAN HORN: While you were attending the
 23 Executive Session, Mr. Frazer, did you hear the word
 24 "bankruptcy" used by any of the Board Members?
 25 MR. BUNCHER: Same objection. If counsel

Page 38

1 was present, you're basically asking him to reveal
 2 attorney-client communications.
 3 MR. VAN HORN: Mr. Frazer, when in the
 4 Fall of 2020 did you become aware of the plan to file
 5 bankruptcy?
 6 MR. FRAZER: Well, to be clear, I -- I
 7 can't say it was an awareness of a plan to file
 8 bankruptcy. But I became aware of the concept -- you
 9 know, I don't remember the specific -- the specific
 10 month, but it was sometime in the fall, you know, No --
 11 Novem -- maybe, November, maybe -- maybe, a little
 12 earlier.
 13 MR. VAN HORN: Okay. And, you know, again,
 14 this will be probably additional requests, Mr. Buncher.
 15 But, yeah, we'll be requesting any notes Mr. Frazer has
 16 from the Executive Session that he referenced making.
 17 MR. BUNCHER: All right. And -- and just
 18 to clarify the record, my understanding is our firm
 19 produced a number of documents to the Committee
 20 yesterday to Mr. Gluck. So I don't know if, like, maybe
 21 the left hand doesn't know what the right hand is doing
 22 or -- you know, and I don't have clarity on exactly what
 23 was provided at this point. But, in any event, send me
 24 the request once you figure out what you've already got.
 25 MR. VAN HORN: Okay. Yeah. Well, I don't

Page 39

1 think --
 2 MR. GLUCK: Hey, Doug --
 3 MR. VAN HORN: -- we have it.
 4 MR. GLUCK: -- the -- I -- I think the
 5 person who's asking the questions isn't for the
 6 Committee, so --
 7 MR. BUNCHER: Okay. I'm sorry. That's --
 8 that's. All right. Okay. Very good. Who is asking --
 9 MR. VAN HORN: Yeah.
 10 MR. BUNCHER: Who is speaking right now?
 11 I'm sorry.
 12 MR. VAN HORN: This -- this is Eric Van
 13 Horn, and then, I believe, just prior was Mr. -- I
 14 believe that was Mr. Gluck?
 15 MR. GLUCK: That's right, Eric. Thanks.
 16 MR. BUNCHER: Yeah. Yes. Okay. All
 17 right. My -- my fault. All right. Very good. Thank
 18 you.
 19 MR. VAN HORN: So, yeah, and -- and,
 20 certainly, if there were documents produced to the
 21 Committee that -- you know, that cover this, you know,
 22 we will certainly request those.
 23 With respect to -- Mr. Frazer -- the
 24 Executive Session, do you recall who provided any sort
 25 of presentation or overview of Mr. LaPierre's contract

Page 40

1 and what it -- what it entailed and what the Board was
 2 being asked to approve? Was it Mr. Cotton or somebody
 3 else on the Board?
 4 MR. FRAZER: You know, the -- the -- this
 5 is John Frazer. I -- I apologize. I don't recall
 6 who -- I -- I mean, a number of Board Members asked
 7 questions. I know the Chair participated in the
 8 discussion, but I'm hard-pressed to identify specifics.
 9 MR. VAN HORN: Okay. And that Chair -- I'm
 10 sorry -- was that Mr. Cotton?
 11 MR. FRAZER: Yes. Mr. Cotton was in the
 12 Chair throughout the -- throughout the meeting.
 13 MR. VAN HORN: Okay. And do you recall any
 14 Board Members who asked questions about the contract?
 15 MR. FRAZER: I recall that there were
 16 several questions. I couldn't tell you ev -- tell you
 17 everyone that asked a question.
 18 MR. VAN HORN: Okay. And do you re -- can
 19 you -- what -- what questions do you remember being
 20 asked about the contract?
 21 MR. BUNCHER: I'm sorry. To clarify, are
 22 we speaking about the Executive Session or the regular
 23 board meeting at this point?
 24 MR. VAN HORN: The -- the session dealing
 25 with Mr. LaPierre's employment contract.

Page 41

1 MR. FRAZER: Well, so -- so I think there
 2 were some questions that might touch on -- on legal
 3 advice. So --
 4 MR. VAN HORN: Okay. How about non --
 5 MR. FRAZER: -- I think that there --
 6 MR. VAN HORN: How about nonlegal advice
 7 questions; do you recall any?
 8 MR. FRAZER: You know, the only question
 9 that I spec -- that I -- that I specifically recall, I
 10 think, was one that would have touched on legal advice.
 11 MR. VAN HORN: Okay. And I believe I have
 12 seen the list of Board Members who attended the meeting
 13 on January 7th, 2021. But just to confirm, at least one
 14 of the Board Members was Duane Liptak; do you recall
 15 that being accurate?
 16 MR. FRAZER: Correct.
 17 MR. VAN HORN: And he's the Board Member
 18 who resigned after the bankruptcy case was filed?
 19 MR. FRAZER: That's correct.
 20 MR. VAN HORN: And then another Board
 21 Member was Phillip Journey; is that -- was he -- do you
 22 recall him being present at the Executive Session?
 23 MR. FRAZER: Yes.
 24 MR. VAN HORN: And he is still a Board
 25 Member, to your knowledge?

Page 42

1 MR. FRAZER: He is.
 2 MR. VAN HORN: Okay. And do you know
 3 why the employment contract did not have the Texas
 4 choice-of-law provision in it at the time that it was
 5 being considered?
 6 MR. FRAZER: I don't know.
 7 MR. VAN HORN: Okay. Was the Board
 8 informed that the contract authorized Wayne to file
 9 bankruptcy for the NRA?
 10 MR. BUNCHER: Objection to the extent that
 11 calls for attorney-client communications.
 12 If you can answer without revealing
 13 attorney-client communications, you can answer the
 14 question.
 15 MR. FRAZER: I don't recall any discussion
 16 of that.
 17 MR. VAN HORN: Okay. So no recollection of
 18 any -- any other Board Members asking about whether it
 19 authorized Mr. LaPierre to file bankruptcy for the NRA?
 20 MR. FRAZER: No, not that I recall.
 21 MR. VAN HORN: Okay. Mr. LaPierre's
 22 contract provides for a salary of \$1.3 million; you are
 23 familiar with that term, Mr. Frazer?
 24 MR. FRAZER: Yes.
 25 MR. VAN HORN: Okay. And maybe this will

Page 43

1 be a question for -- yeah, a -- a question for
 2 Mr. LaPierre.
 3 Mr. LaPierre, how often are the -- your
 4 base salary payments made under the contract? Are they,
 5 you know, monthly, twice a month? What -- what -- when
 6 do you get paid your base salary?
 7 MR. LaPIERRE: The pay -- the pay -- as
 8 with every other employee, the pay periods are usually
 9 two pay periods a month. I think there are two weeks --
 10 there are two other times -- there are two times when
 11 it's three payments a month, but that's -- it's the same
 12 as any other employee.
 13 MR. VAN HORN: Okay. So that would be --
 14 MR. LaPIERRE: And right now --
 15 MR. VAN HORN: -- (inaudible) --
 16 MR. LaPIERRE: -- I'm at -- as -- as -- as
 17 many other employees, I -- I think I'm at 80 percent
 18 of -- of that salary. Some of us took -- a lot of us
 19 took reductions with COVID and I'm at 80 percent of
 20 that.
 21 MR. VAN HORN: Okay. Question for
 22 Mr. Warren and then, maybe, Mr. Frazer. You -- you may
 23 know this que -- the answer to this question.
 24 The Schedules reflect a -- a contract -- a
 25 newly added contract to the Schedules for a gentleman

Page 44

1 named Rick Tedrick. Mr. Warren, do you know who
 2 Mr. Tedrick is?
 3 MR. WARREN: Yes, I do.
 4 MR. VAN HORN: Okay. Who is he and what's
 5 his position?
 6 MR. WARREN: He is the -- I think his
 7 formal title is -- is Managing Director and CFO of
 8 the -- of the Foundation -- the NRA Foundation and the
 9 Managing Director of -- of the NRA, as well.
 10 MR. VAN HORN: Okay. And is he continuing
 11 to work for the NRA?
 12 MR. WARREN: Yes, he is.
 13 MR. VAN HORN: Okay. And is he -- I
 14 believe I've seen him on the witness and exhibit list
 15 somewhere. Is he available for testimony during this
 16 case?
 17 MR. BUNCHER: What -- what's the question?
 18 I'm sorry. It's Mr. Buncher.
 19 MR. VAN HORN: If Mr. Tedrick is -- is --
 20 is -- is available for -- during this case of the -- for
 21 testimony. I think I have seen him on a witness and
 22 exhibit list, Mr. Buncher, but I'm just trying to get
 23 some clarification about who he is and what he does
 24 and -- and whether, you know, he's expected to be
 25 testifying.

Page 45

1 MR. BUNCHER: Well, my understanding is
 2 he's the guy that oversees the insurance, but the
 3 witnesses would need to clarify --
 4 MR. VAN HORN: Okay.
 5 MR. BUNCHER: -- because his role is
 6 more --
 7 MR. VAN HORN: Mr. Frazer, do you know?
 8 MR. FRAZER: Yeah. Rick -- Rick is the
 9 Managing Director of Finance. He's a long-term em --
 10 employee on the finance -- in the -- in the Treasurer's
 11 office. His responsibilities include the -- you know,
 12 various matters about insurance and investments, among
 13 other things.
 14 MR. VAN HORN: Okay. And is there any
 15 reason you can think that he's -- or so -- so he's,
 16 generally, working every day for the NRA right now?
 17 MR. FRAZER: Yes.
 18 MR. VAN HORN: Okay. And, then, is that
 19 the same situation for Mr. Spray? Is he still working?
 20 MR. FRAZER: I --
 21 MR. BUNCHER: Now, this was covered in the
 22 first meeting ad nauseam, Lisa -- or, Ms. Lambert. Are
 23 we going to have to ask -- answer all the same questions
 24 over again?
 25 MR. VAN HORN: No. This is a little bit

Page 46

1 different, because it -- it was un -- a little bit
 2 unclear, Mr. -- I believe Mr. Spray is still working.
 3 An employment contract was scheduled -- or now scheduled
 4 for him, and so I just want to understand what's his
 5 current activity or employ -- you know, and -- and
 6 employment with the NRA.
 7 MR. BUNCHER: All right. Fair enough.
 8 MR. LaPIERRE: This is Wayne. Mr. --
 9 Mr. Spray is -- is -- is no longer working as Chief
 10 Financial Officer of the NRA or Treasurer. He does have
 11 a -- he had an agreement with the NRA, which the NRA is
 12 honoring, and I -- I would refer to Mr. Frazer, the
 13 general counsel's office, in terms of the -- the -- that
 14 agreement. It -- it -- I'm not sure whether it's
 15 confidential or not.
 16 MR. FRAZER: This is Mr. --
 17 MR. VAN HORN: Mr. Frazer?
 18 MR. FRAZER: This is John Frazer. I
 19 think -- I think I can answer that. You know, he -- you
 20 know, Mr. Spray has an agreement that provides for --
 21 for, you know, basically, a contingency contract for
 22 severance under various circumstances.
 23 MR. VAN HORN: Okay. So -- so as of today,
 24 he's still being -- but he's -- he is being paid?
 25 MR. FRAZER: Yes.

Page 47

1 MR. VAN HORN: So he may or may not be
 2 working?
 3 MR. FRAZER: He's -- he -- he's on
 4 administrative leave.
 5 MR. VAN HORN: Okay. And, Mr. Frazer,
 6 maybe you'll -- you'll know the answer to this question.
 7 Back -- just a quick follow-up on the employment
 8 contract with Mr. LaPierre. Do you know how long after
 9 the Board approved -- or approved the employment
 10 contract was the choice-of-law provision inserted into
 11 it, and then the agreement executed by Mr. LaPierre and
 12 Mr. Cotton?
 13 MR. FRAZER: I don't know.
 14 MR. VAN HORN: Mr. LaPierre, do you know?
 15 MR. LaPIERRE: Yes. Yes. I believe --
 16 well, I can actually give you the date. It's -- it was
 17 executed on -- well, I thought I could give you the
 18 date. It's -- I know the board meeting was on -- it was
 19 the afternoon of the board meeting. I believe it was
 20 executed after the board meeting. Whatever date the
 21 board meeting was, it was later that afternoon when the
 22 agreement was executed and it -- because it was -- it
 23 added a -- a governing law contract negotiated and
 24 executed -- executed in the state of Texas, and it would
 25 have been done -- been -- that would have been signed

Page 48

1 the afternoon after the board meeting concluded.
 2 MR. VAN HORN: Okay. Is there a reason,
 3 Mr. LaPierre -- I'm looking at the contract -- it
 4 doesn't have that date filled in. Is there a reason
 5 that date wasn't filled in?
 6 MR. LaPIERRE: Yeah, that's what -- that's
 7 what I was just looking at. I thought I was going to
 8 reference the date, too, and it -- I saw that it had
 9 January 2020 on it. Yeah, it -- that's why I couldn't
 10 give you a date. But I'm sure that -- I know for a fact
 11 that this was executed the afternoon after the board
 12 meeting concluded.
 13 MR. VAN HORN: Okay. So after the Board --
 14 during the Executive Session, the report in the minutes
 15 says it -- the employment contract was approved, subject
 16 to further negotiations about a choice-of-law and
 17 choice-of-venue provision, being that it's called the
 18 Texas provision. This ha -- so, Mr. LaPierre, that took
 19 place after the Board went into Executive Session, then
 20 you and, I guess, Mr. Cotton -- who signed the
 21 agreement -- agreed to Texas choice of law and then
 22 executed the agreement. Is that series of events
 23 correct?
 24 MR. LaPIERRE: That is correct. We went
 25 ba -- back to the -- the -- the law -- the law firm and

Page 49

1 had a meeting, and that's when I signed the agreement.
2 MR. VAN HORN: Okay. And the law firm was
3 what law firm?
4 MR. LaPIERRE: The Brewer Law Firm.
5 MR. VAN HORN: Okay. Mr. Warren, I've got
6 a few questions for you. Can you hear me okay?
7 MR. WARREN: Yes, I can.
8 MR. VAN HORN: Okay. When did you first
9 become aware of the bankruptcy filing?
10 MR. WARREN: I was made aware on -- on
11 January 15th, 2021.
12 MR. VAN HORN: Okay. And that's the same
13 day that the -- that the bankruptcy was filed --
14 MR. WARREN: That's accurate.
15 MR. VAN HORN: -- correct? Okay. When did
16 you first become aware that you would be asked to sign
17 the Schedules -- bankruptcy Schedules and Statements of
18 Financial Affairs?
19 MR. WARREN: That was determined after I
20 had managed the organizing of the Schedules being
21 completed.
22 MR. VAN HORN: Okay. When -- when did you
23 first begin the process of compiling the Schedules and
24 Statement of Financial Affairs?
25 MR. WARREN: I don't have -- I don't know

Page 50

1 the spe -- the specific date, but it would have been
2 late January.
3 MR. VAN HORN: Okay. So definitely after
4 the bankruptcy was filed, because you didn't even know
5 the bankruptcy was filed until --
6 MR. WARREN: That's correct.
7 MR. VAN HORN: -- the day it was filed,
8 right?
9 MR. WARREN: That's correct.
10 MR. VAN HORN: Okay. And how was the
11 information compiled for the Schedules and Statement of
12 Financial Affairs? Did you -- well, who did you work
13 with and instruct or, otherwise, delegate responsibility
14 to?
15 MR. WARREN: Once I got an organization
16 around all the requests, I either identified that I
17 would be able to gather that information
18 independently -- and when I wasn't, I incorporated the
19 specific individual that -- that was appropriate to do
20 so -- or staff member.
21 MR. VAN HORN: Okay. And can you -- can --
22 which -- do you know which members or key members did
23 you work with? It sounds like Ms. Rowling was, maybe,
24 one of them; is that correct?
25 MR. WARREN: That's accurate.

Page 51

1 MR. VAN HORN: Okay.
2 MR. WARREN: Yes.
3 MR. VAN HORN: Anyone -- anyone else?
4 MR. WARREN: Other members internal to the
5 organization, specific to the financial services
6 department, I would have engaged Mike Earstling for
7 assistance. I also involved John Frazer.
8 MR. VAN HORN: Okay. How about -- was
9 Mr. Spray involved at all?
10 MR. WARREN: No.
11 MR. VAN HORN: Okay. And your title is CFO
12 of the For-Profit Entities, correct?
13 MR. WARREN: That's correct.
14 MR. VAN HORN: And so what -- what is your,
15 sort of, knowledge or -- or ability to -- to execute
16 Schedules and Statement of Financial Affairs for a
17 non -- for any of the nonprofit entities or,
18 specifically, the NRA as a nonprofit?
19 MR. BUNCHER: This was covered, precisely,
20 in the first meeting by Ms. Lambert -- this exact topic.
21 THE U.S. TRUSTEE: It was. This is
22 Ms. Lambert.
23 MR. VAN HORN: Okay.
24 THE U.S. TRUSTEE: Is there anything new
25 that you are asking in follow-up?

Page 52

1 MR. VAN HORN: I -- no, I will refer back
2 to the transcript for -- for that question.
3 THE U.S. TRUSTEE: We're going to continue
4 the meeting if there's something novel to ask receptive
5 to that, but this was covered.
6 MR. VAN HORN: Yeah. Well, my apologies.
7 I thought I -- I may -- I must have missed it.
8 Mr. Warren, there was -- can you provide an
9 overview of the amendments to the Schedules that were
10 made and what -- any of the highlights or things that
11 you -- you know that should be on there that weren't on
12 there in the first or the second set of Schedules that
13 were filed?
14 MR. WARREN: Just to -- just to clarify,
15 are you asking for all of the -- a summary of all of the
16 amendments or anything in particular?
17 MR. VAN HORN: I mean, can you just, you
18 know, give us -- and then the Schedules were just
19 filed -- or amended Schedules were just filed yesterday
20 and I don't think we've all had an ability to really go
21 through and figure out exactly what was amended. So can
22 you provide any summary of what was amended in the -- in
23 the Schedules? And then we can talk about the Statement
24 of Financial Affairs, you know, separately.
25 MR. WARREN: Yes, I can -- I can go through

Page 53

1 that. In specific to the -- the Schedules -- speaking,
 2 specifically, to the Sea Girt Schedules, specifically --
 3 there was an amendment to the Unsecured Creditor list,
 4 Schedule F, and it was just an amendment of the amount
 5 to one of the parties -- one of the Creditors listed.
 6 There wasn't an --
 7 MR. VAN HORN: Okay.
 8 MR. WARREN: There wasn't an addition to --
 9 an addition of a Creditor, just the bal -- or the amount
 10 of the claim.
 11 MR. VAN HORN: Okay. And so that's on the
 12 Sea Girt Schedules. So on the NRA Schedules --
 13 MR. WARREN: Uh-huh (affirmative).
 14 MR. VAN HORN: -- what -- what changes --
 15 what amendments were in -- in that one?
 16 MR. WARREN: Sure. Yeah. I will go
 17 through that. On the -- on the NRA Schedule, one of the
 18 adjustments was the addition of disclosure of insurance
 19 policies, and that's -- that's on Schedule A/B, Part 11,
 20 No. 73, specifically, where we disclosed the active
 21 insurance policies. Another amendment was on
 22 Schedule A, Part 2, No. 8, and that's where we disclosed
 23 a prepaid position. So we added and amended an
 24 additional prepaid position to that schedule.
 25 MR. VAN HORN: Okay. Can we talk about --

Page 54

1 I guess, identify that one real quick. It was a
 2 prepayment of -- do you remember about how much?
 3 MR. WARREN: Yes. It was a -- an addi --
 4 an -- it -- the addition of that was \$805,500.
 5 MR. VAN HORN: Okay. I think I -- and
 6 that's to Free Beacon, LLC?
 7 MR. WARREN: That's correct.
 8 MR. VAN HORN: Okay. I think I found it
 9 now. And why wasn't that in the prior Schedules?
 10 MR. WARREN: That wasn't dis -- that was
 11 identified after the original submission as a -- as a
 12 need to disclose. So it was an identi -- identification
 13 post the original submission.
 14 MR. VAN HORN: The -- kind of sim --
 15 similar -- so was -- was it the Wells Fargo account,
 16 about \$3.8 million, that was identified for amending in
 17 the First Amended Schedules, that's along tho -- it's an
 18 asset right along those lines.
 19 MR. WARREN: Yeah. That was a bank account
 20 that had not been -- had -- just had mistakenly not
 21 been -- been keyed onto the original Schedule, and that
 22 was -- that was a bank account that was omitted in -- in
 23 error.
 24 MR. VAN HORN: Okay. Any other -- any
 25 other amendments to the Schedules that you can summarize

Page 55

1 for us?
 2 MR. WARREN: Yeah. I mean, we -- we did
 3 bring an update to Schedule F, Unsecured Creditors.
 4 Just -- it's a perpetual list, as we continue to -- to
 5 adan -- advance forward. So we -- we amended that to
 6 the most current position was the update there. We also
 7 amended Schedule G where all leases that we have, as a
 8 recipient, meaning, we the -- we -- we being the NRA as
 9 a landlord, we did not -- we did not include in the
 10 original submission. So all of our leases that we hold
 11 with the external third parties was added.
 12 We also added any confidentiality or NDA
 13 agreements. Those weren't in our original scope, so
 14 we -- we added those to Schedule G in this -- in this
 15 update.
 16 MR. VAN HORN: Okay.
 17 THE U.S. TRUSTEE: Mr. Van Horn, if we are
 18 going to come back next week to examine on these
 19 amendments in part, can we defer these questions?
 20 MR. VAN HORN: Yes, Ms. Lambert. If I can
 21 just ask, maybe, two more quick questions.
 22 Ms. Rowling, can you hear me okay?
 23 MS. ROWLING: Yes, I can.
 24 MR. VAN HORN: Okay. When did you first
 25 become aware of the bankruptcy filing?

Page 56

1 MS. ROWLING: January 15th, 2021.
 2 MR. VAN HORN: Okay. And, then, when did
 3 you first become aware of the -- the need to help
 4 compile the Schedules and Statements of Financial
 5 Affairs?
 6 MS. ROWLING: Probably the same timeframe
 7 as Mr. Warren, maybe a week or two after.
 8 MR. VAN HORN: Okay. And do you have
 9 any -- can you just provide, again, any just quick
 10 summary of the -- he -- as far as amendments to the
 11 Schedules that he hasn't already identified?
 12 MS. ROWLING: David is the preparer of
 13 those, so I would refer to what he has said.
 14 MR. VAN HORN: Okay. All right.
 15 Ms. Lambert, thanks very much for the additional time.
 16 Mr. Buncher, we will send the additional
 17 document requests after the meeting, and thank you for
 18 your time.
 19 Reserving rights for questions for next
 20 meeting.
 21 THE U.S. TRUSTEE: So next we Ackerman,
 22 Mr. Acosta?
 23 MR. ACOSTA: Yes. Hello, folks. My name
 24 is -- Mr. LaPierre, Ms. Rowling, Mr. Owens, Mr. Warren,
 25 Mr. Frazer, my name is Joe Acosta. I represent Ackerman

Page 57

1 McQueen. I hope you guys are doing well today.
2 MR. LaPIERRE: Thanks.
3 MR. ACOSTA: Let me start off by --
4 MR. LaPIERRE: You, too.
5 MR. ACOSTA: -- ask -- let me start off by
6 asking who -- who currently is governing the NRA?
7 MR. LaPIERRE: Well, I'm the -- this is
8 Wayne. I'm the Executive Vice President of the NRA and
9 we all work for the Board of Directors.
10 MR. ACOSTA: So it's the full Board or a
11 portion of the Board that's governing the NRA?
12 MR. LaPIERRE: It's the full Board -- the
13 full Board is the one that has the -- has the power to
14 govern the NRA.
15 MR. ACOSTA: And do they know that they are
16 governing the NRA during bankruptcy?
17 MR. BUNCHER: I object, calls for the
18 witnesses to speculate about what somebody else knows or
19 doesn't know (phonetic). I -- do you want to rephrase
20 that?
21 MR. ACOSTA: Sure. Was there any notice
22 provided to the full Board that they were in bankruptcy
23 and they were still governing the bankruptcy?
24 MR. LaPIERRE: We -- we -- after they
25 delegated authority at the Dallas board meeting to the

Page 58

1 Executive Vice President to reorganize the NRA, after
2 the full Board passed that in that contract, when we
3 moved to our Chapter 11 bankruptcy, we immediately sent
4 out a -- a notice to the -- to the full Board.
5 MR. ACOSTA: And did that notice indicate
6 that they were still governing the NRA or did it
7 indicate that you were governing the NRA, Mr. LaPierre?
8 MR. LaPIERRE: I will refer to -- to John
9 Frazer as to just exactly the contents of the notice.
10 MR. FRAZER: This -- this -- this is John
11 Frazer. Yeah. We sent the notice out announcing the --
12 that the reorganization plan had been filed, you know,
13 discussing the new website that had been created to
14 provide news about it, describing the -- the intention
15 of the reorganization to emerge as a Texas nonprofit. I
16 don't -- I don't think there was any notice about --
17 that the Board was still governing, because I don't
18 think there was any -- there was any question that the
19 Board is still governing.
20 MR. ACOSTA: So they understand that they
21 are still on the hook for any decisions made by the NRA?
22 MR. BUNCHER: That's --
23 MR. TERRELL: Objection. Calls for a legal
24 conclusion.
25 MR. BUNCHER: And it calls for --

Page 59

1 MR. ACOSTA: Do they understand that --
2 MR. BUNCHER: It calls for --
3 MR. ACOSTA: -- they're still under --
4 MR. BUNCHER: -- calls for them --
5 MR. ACOSTA: -- a fiduciary duty
6 (phonetic)?
7 MR. BUNCHER: -- to speculate on what
8 somebody else understands or does not understand. So do
9 you want to rephrase that?
10 MR. ACOSTA: Do they understand that it's
11 business as normal?
12 MR. BUNCHER: Same objection. They can't
13 testify what somebody else understands or not.
14 MR. ACOSTA: Okay. You didn't provide them
15 notice that it was business as normal, did you?
16 MR. TERRELL: Object -- objection to the
17 form.
18 MR. ACOSTA: Okay. You can answer the
19 question.
20 MR. BUNCHER: I think the witness already
21 testified what the notice said and now you're just
22 badgering the witness, so --
23 MR. ACOSTA: That's not true. I don't -- I
24 don't know if they -- there was any notice provided that
25 the Board was still in charge of the NRA.

Page 60

1 MR. BUNCHER: Is the notice on the website,
2 Mr. Frazer?
3 MR. FRAZER: The -- the -- no, the message
4 that went to the Board isn't -- isn't posted online.
5 MR. ACOSTA: Well, would you mind sharing
6 that with us? Maybe that -- I can move --
7 THE U.S. TRUSTEE: Gentlemen --
8 MR. ACOSTA: -- this along.
9 THE U.S. TRUSTEE: -- let's just get a copy
10 of what was sent to the Board, as Mr. Acosta has just
11 said, and let's ask about what questions have been
12 received from the Board about managing during the
13 bankruptcy, if any, to counsel.
14 MR. BUNCHER: Yeah. Well, that sounds like
15 attorney-client communication to me.
16 THE U.S. TRUSTEE: Well, I think that if
17 there are general questions about the operation of the
18 Debtor by the Board, that those are not particularly
19 legal questions, but could be. I agree.
20 MR. BUNCHER: Okay.
21 MR. ACOSTA: Well, let me ask this
22 question: Has the Board made any decisions since the
23 bankruptcy?
24 MR. FRAZER: This --
25 MR. LaPIERRE: The ---

Page 61

1 MR. FRAZER: This is John Frazer --

2 MR. LaPIERRE: The Board has not had -- had

3 a -- had a meeting -- a formal meeting since -- since

4 the bankruptcy. Although, many of us have -- have had

5 numerous communications individually with Board Members.

6 MR. ACOSTA: So is it fair to say that the

7 day-to-day governance of the NRA is conducted by you,

8 Mr. LaPierre?

9 MR. LaPIERRE: Well, as -- as always --

10 MR. TERRELL: Objection --

11 MR. LaPIERRE: -- under the -- under the --

12 I work for the Board.

13 MR. ACOSTA: Okay. When was the last time

14 you apprised the full Board of what was going on in the

15 bankruptcy?

16 MR. LaPIERRE: We -- we sent -- we sent a

17 notice and we have -- we -- we -- we have had individual

18 conversations with Board Members about -- about the fact

19 that we -- we have actually -- going -- are going to

20 have a Board of Directors meeting coming up.

21 MR. ACOSTA: And when is that date, sir?

22 MR. LaPIERRE: The notice has gone out.

23 It's the -- the -- I believe it's the 14th of January --

24 the 14th of March --

25 MR. ACOSTA: Okay.

Page 62

1 MR. LaPIERRE: -- maybe, the 15th of March.

2 It's a Sunday. I know that.

3 MR. FRAZER: This -- this is -- this is --

4 this is John Frazer. There's a -- a special meeting has

5 been called for March 14th. I would also add that we've

6 sent periodic emails to the Board about the -- you know,

7 about news coverage, interviews, and -- and that kind of

8 thing that -- you know, that have cov -- that have --

9 you know, that have been aired regarding the

10 reorganization plan.

11 MR. ACOSTA: Okay. Would you mind sharing

12 all -- everything shared with the Board that's not

13 privileged since January 15th, 2021?

14 MR. BUNCHER: We'll take that under

15 advisement. I'm hard-pressed to see how a communication

16 from counsel to the Board is anything but privileged.

17 MR. ACOSTA: I said everything

18 non-privileged.

19 MR. BUNCHER: I -- I'm saying, I'm -- I'm

20 hard-pressed to see what would not be privileged, but

21 we'll --

22 MR. ACOSTA: Well, if it was sent by

23 Mr. LaPierre, would you agree that it's not privileged?

24 MR. BUNCHER: I'm not on this call to

25 debate with you. I've -- I've noted my objection for

Page 63

1 the record. We'll take it under --

2 MR. ACOSTA: Okay.

3 MR. BUNCHER: -- advisement.

4 MR. ACOSTA: Fair enough. What was so

5 magical about filing on January 15th? And just a

6 reminder, everyone, please --

7 MR. LaPIERRE: I --

8 MR. ACOSTA: -- announce your name when

9 you, you know, respond, if you don't mind.

10 MR. LaPIERRE: This is Wayne. I -- I don't

11 know what was magical about that.

12 MR. ACOSTA: Okay. January 7th is when the

13 Board resolution to empower the Special Litigation

14 Committee occurred; is that correct?

15 MR. LaPIERRE: At -- at the board meeting,

16 that -- that is correct.

17 MR. ACOSTA: Okay. Now, maybe I can back

18 into this. When did -- when did the NRA hire bankruptcy

19 counsel?

20 MR. LaPIERRE: I'll refer that to the --

21 the attorneys.

22 MR. ACOSTA: It's -- it's a fact. It's --

23 I'm not asking what you talked to bankruptcy counsel

24 about.

25 MR. LaPIERRE: I'm not trying to be

Page 64

1 evasive. I -- I just don't know the date, which is why

2 I'm referring it to the attorneys. I -- I assume they

3 would know the date.

4 MR. ACOSTA: Mr. Frazer, do you know?

5 MR. FRAZER: I -- I'm sorry, I don't have

6 the date of -- the date of engagement in front of me.

7 MR. ACOSTA: Would it have been more than

8 six months ago?

9 MR. FRAZER: Not -- not that I know of.

10 MR. ACOSTA: Okay. So would it have been

11 before Sea Girt was formed?

12 MR. FRAZER: I'm sorry, I don't have an

13 answer for that.

14 MR. ACOSTA: Would it have been in the Fall

15 of 2020?

16 MR. FRAZER: I don't -- I don't know any --

17 I don't know the date when --

18 MR. ACOSTA: How about this, would it have

19 been --

20 MR. FRAZER: I'm sorry.

21 MR. ACOSTA: -- in the first -- first six

22 months of 2020?

23 MR. FRAZER: Not that I know of.

24 MR. ACOSTA: Would it have been the second

25 six months of 2020?

Page 65

1 MR. BUNCHER: Mr. Acosta, this is
 2 Mr. Buncher. Could you clarify what counsel you are
 3 referring to in your question as, quote, bankruptcy
 4 counsel?
 5 MR. ACOSTA: Sure. I -- I would be happy
 6 to. Mr. Neligan's firm, when -- when were they hired?
 7 MR. FRAZER: I'm -- I'm sorry, I don't have
 8 that answer at my fingertips.
 9 MR. ACOSTA: So --
 10 MR. LaPIERRE: Yeah. This is --
 11 MR. ACOSTA: -- do you think it might be --
 12 MR. LaPIERRE: This is Wayne. I -- I
 13 don't -- I don't either have that answer at my --
 14 MR. ACOSTA: Okay. Well, you disclosed in
 15 the Statement of Financial Affairs that Mr. Neligan's
 16 firm was paid \$450,000 prior to filing bankruptcy. Do
 17 you recall that?
 18 MR. LaPIERRE: I'll refer that to our --
 19 our -- our -- our chief financial people.
 20 MR. ACOSTA: Mr. Warren, do you recall
 21 that?
 22 MR. WARREN: I am aware that -- that there
 23 were -- there were payments made prior to January 15,
 24 2021.
 25 MR. ACOSTA: Okay. Are you aware that

Page 66

1 payments were made to Mr. Neligan's firm, as well as
 2 Mr. Brewer's firm?
 3 MR. WARREN: I'm aware that -- that
 4 payments were made to both firms.
 5 MR. ACOSTA: And they were both in
 6 connection with the bankruptcy?
 7 MR. WARREN: I am -- I am aware, due to
 8 the -- to the scope of engagement with Neligan, yes
 9 (phonetic). The Brewer Firm, I'm not -- I'm not -- I'm
 10 not for certain that it had -- it's related to
 11 bankruptcy matters, since we engage them in other
 12 matters.
 13 MR. ACOSTA: Well, you know the Statement
 14 of Financial Affairs specifically asks you to disclose
 15 how much payments were made to any law -- professional
 16 law firm in connection with the bankruptcy filing. Do
 17 you recall that?
 18 MR. WARREN: Yes, I do.
 19 MR. ACOSTA: Okay. Do you re -- do you
 20 recall putting four hun -- approximately, \$450,000 for
 21 the Neligan Firm?
 22 MR. WARREN: Yes.
 23 MR. ACOSTA: Do you recall putting over
 24 \$6 million for the Brewer Firm?
 25 MR. WARREN: I believe there's a definition

Page 67

1 issue with that, in terms of being associated directly
 2 from a bankruptcy matter --
 3 MR. ACOSTA: Okay.
 4 MR. WARREN: -- (inaudible) --
 5 MR. ACOSTA: But my -- my -- my -- my
 6 question is -- is very simple. In response to the
 7 question in the Statement of Financial Affairs -- how
 8 much did you pay your professional -- you put an amount
 9 for the Brewer Firm; did you not?
 10 MR. BUNCHER: What question --
 11 MR. LaPIERRE: This is Wayne. I -- I -- I
 12 know we set aside -- we put aside -- I -- I -- I -- I
 13 think it was -- well, I -- I'm -- I'm not sure my
 14 memory's correct. I think we set aside 5 million
 15 or -- to -- to -- to be set aside to be used in various
 16 matters re -- re -- relating to the reorganization.
 17 MR. WARREN: I was going to answer --
 18 MR. ACOSTA: Okay.
 19 MR. WARREN: -- your question (phonetic).
 20 MR. ACOSTA: And I appreciate that,
 21 Mr. LaPierre, but since Mr. Warren filled out the
 22 Schedules, I'm asking his understanding of why he put
 23 down several digits that amounted to about \$6 million
 24 for the Brewer Firm, in response to the question, How
 25 much did you pay your professional in connection with

Page 68

1 preparing for the bankruptcy?
 2 UNKNOWN MALE SPEAKER: (Inaudible) for
 3 that.
 4 MR. WARREN: Again -- and -- and this is --
 5 this is Mr. Warren and -- and my -- my feedback to that
 6 is, I am -- I am aware of the Neligan component. I
 7 believe the definition utilized for the Brewer Firm
 8 specifically related to bankruptcy may be re -- may be
 9 misinterpreted in terms of the question.
 10 UNKNOWN MALE SPEAKER: That's --
 11 MR. ACOSTA: Okay. Well, let me -- let me
 12 ask you this: In -- in response to the question about
 13 preferences, you said the Brewer Firm received
 14 17.5 million, approximately, during the 90 days prior to
 15 filing bankruptcy. Do you recall that?
 16 MR. WARREN: Correct.
 17 MR. ACOSTA: Okay. And -- and that's a
 18 different amount than the amount that you put down with
 19 respect to the Statement of Financial Affairs question,
 20 relating to the professionals that advised the company
 21 in connection with the bankruptcy.
 22 MR. BUNCHER: Mr. Acosta, this is
 23 Mr. Buncher. That's because the payments you are
 24 referring to in one question are payments related only
 25 to bankruptcy-related work.

| | |
|--|--|
| <p style="text-align: right;">Page 69</p> <p>1 MR. ACOSTA: I think --</p> <p>2 THE U.S. TRUSTEE: Let's --</p> <p>3 MR. ACOSTA: -- that's right, Mr. Buncher.</p> <p>4 Thank you.</p> <p>5 THE U.S. TRUSTEE: Let's go back. So we've</p> <p>6 got, in the -- in the overall statements, a provision</p> <p>7 that the Brewer Firm and the NRA contend that</p> <p>8 bankruptcy-related work is not all the litigation work.</p> <p>9 And the U.S. Trustee has challenged that in his</p> <p>10 objection to the employment of the Brewer Firm, and I</p> <p>11 guess we're going to have to have a court determine</p> <p>12 that, either for discovery or for hearing purposes.</p> <p>13 But, you know, that -- that's what they have stated in</p> <p>14 their general notes.</p> <p>15 MR. ACOSTA: Okay. So then let me ask you</p> <p>16 this -- this is more factually based: Is the amount</p> <p>17 that you answered to one question "bankruptcy-related</p> <p>18 work" in addition to the amount that you answered for</p> <p>19 just general payments made within 90 days or is it the</p> <p>20 same -- is it part of the payments made within 90 days?</p> <p>21 MR. WARREN: The --- the -- I'm sorry,</p> <p>22 this is Mr. Warren and I'm -- when you -- just for</p> <p>23 clarification. You had mentioned payments within 90</p> <p>24 days versus -- and I forget your definition, I</p> <p>25 apologize. I just want to make sure I have the right</p> | <p style="text-align: right;">Page 71</p> <p>1 are your bankruptcy counsel right now? Mr. Frazer</p> <p>2 and --</p> <p>3 MR. FRAZER: Well --</p> <p>4 MR. ACOSTA: -- Mr. -- not Mr. Neligan.</p> <p>5 Sorry. Mr. Frazer and Mr. LaPierre.</p> <p>6 MR. FRAZER: The Neligan Firm has been</p> <p>7 approved.</p> <p>8 MR. BUNCHER: And the --</p> <p>9 MR. ACOSTA: Is that your only bankruptcy</p> <p>10 counsel?</p> <p>11 MR. BUNCHER: -- the Garman Firm.</p> <p>12 MR. ACOSTA: Oh, and -- and --</p> <p>13 MR. BUNCHER: Were you not at</p> <p>14 (inaudible) --</p> <p>15 MR. ACOSTA: -- the Garman firm.</p> <p>16 MR. BUNCHER: -- yesterday?</p> <p>17 MR. ACOSTA: I -- I'm not on trial here,</p> <p>18 Mr. Buncher --</p> <p>19 MR. BUNCHER: Well --</p> <p>20 MR. ACOSTA: -- but thank you.</p> <p>21 MR. BUNCHER: -- why do we need to ask</p> <p>22 questions everybody knows the answer to?</p> <p>23 MR. ACOSTA: You know, that's just the type</p> <p>24 of guy I am.</p> <p>25 MR. BUNCHER: It's a matter of record. You</p> |
| <p style="text-align: right;">Page 70</p> <p>1 definition to your question.</p> <p>2 MR. ACOSTA: Yes. The Statement of</p> <p>3 Financial Affairs Question No. 3 asks you to list</p> <p>4 payments made to Cre -- to Creditors within 90 days of</p> <p>5 filing bankruptcy.</p> <p>6 MR. WARREN: Correct. Uh-huh</p> <p>7 (affirmative).</p> <p>8 MR. ACOSTA: In that --</p> <p>9 MR. WARREN: Correct.</p> <p>10 MR. ACOSTA: In that Schedule, you listed</p> <p>11 17 -- approximately, 17.5 million for the Brewer Firm.</p> <p>12 The Statement of Financial Affairs Question No. 7 says,</p> <p>13 How much did you pay professionals or advisors in</p> <p>14 connection with preparing for the bankruptcy filing? In</p> <p>15 that question, I would represent to you that you put</p> <p>16 down in excess of \$6 million for the Brewer Firm alone,</p> <p>17 and 450,000 for the Neligan Firm. So my question is:</p> <p>18 Is the \$6 million that you put down for the Brewer Firm</p> <p>19 in addition to the 17.5 million or is it part of the</p> <p>20 17.5 million made within 90 days?</p> <p>21 MR. WARREN: Part of that 90 days would be</p> <p>22 inclusive in -- in that second question that you are</p> <p>23 referring to.</p> <p>24 MR. ACOSTA: Okay. Okay. So then this</p> <p>25 question is for Mr. Frazer and -- and Mr. Neligan. Who</p> | <p style="text-align: right;">Page 72</p> <p>1 know who the counsel are.</p> <p>2 MR. ACOSTA: Let me see here. The New York</p> <p>3 Attorney General enforcement action, what factor did</p> <p>4 that play in the -- in the filing of this bankruptcy?</p> <p>5 MR. LaPIERRE: You know -- this -- this is</p> <p>6 Wayne. We had been -- we had been looking for some time</p> <p>7 at -- at -- at other homes for the NRA and a place -- a</p> <p>8 place to reorganize. Going back far -- long before</p> <p>9 Governor Cuomo and long before General James, we had</p> <p>10 been thinking about it. We also thought that -- been</p> <p>11 thinking about the fact that our employees might be</p> <p>12 better off somewhere else, rather than in this -- the</p> <p>13 north -- northern Virginia area.</p> <p>14 So it -- it -- as -- as the sequence of</p> <p>15 events moved along, with Attorney General Schneiderman</p> <p>16 calling us in 2017 and telling us that there was a plan</p> <p>17 by the Democratic National Committee, some NGOs, an</p> <p>18 anti-Second Amendment to weaponize the government of</p> <p>19 New York State against the NRA, the Department of</p> <p>20 Financial Service, the Attorney General, during our</p> <p>21 campaign -- General James -- said that because the NRA</p> <p>22 supported the Second Amendment, she considered it a</p> <p>23 criminal terrorist organization and was going to open an</p> <p>24 investigation.</p> <p>25 THE U.S. TRUSTEE: Mr. LaPierre --</p> |

Page 73

1 Mr. LaPierre --

2 MR. LaPIERRE: As -- as --

3 THE U.S. TRUSTEE: -- I -- I don't want

4 this to be a discussion of anything about -- about money

5 (phonetic).

6 MR. LaPIERRE: Okay. Well, it -- it --

7 it's just -- from -- from a money standpoint, it got

8 into a -- it became -- we had all kinds of states

9 offering financial incentives for us to -- to -- to --

10 to move. At -- at some point, it became very clear that

11 Texas was offering many financial incentives for us to

12 move and -- and we -- we had decided that, well, if you

13 took a look at it from a money standpoint, given what we

14 considered an unfair playing field in New York State,

15 from a legal standpoint, it -- you know, it would be in

16 the best interest of the NRA to move to a state that --

17 that -- where we would get -- have a fair legal playing

18 field, which would be better for our members and --

19 and -- and more supportive of -- supportive of the

20 Second Amendment freedom the NRA stands for.

21 MR. ACOSTA: And -- and is the NRA aware

22 that there are restrictions to moving out of the state

23 of New York for nonprofits?

24 MR. BUNCHER: Objection --

25 MR. LaPIERRE: Exactly.

Page 74

1 MR. BUNCHER: -- that calls for --

2 MR. LaPIERRE: In fact --

3 MR. BUNCHER: -- a legal conclusion.

4 MR. ACOSTA: I didn't ask --

5 MR. BUNCHER: And this is just --

6 MR. ACOSTA: -- for the specific legal.

7 MR. BUNCHER: Ms. Lambert, this is just --

8 this is reploting a lot of the same stuff that --

9 THE U.S. TRUSTEE: No. It's --

10 MR. BUNCHER: -- was covered in the first

11 meeting.

12 THE U.S. TRUSTEE: It's not really

13 reploting, but let's focus on why it went into

14 bankruptcy and what one plans to do to get out of

15 bankruptcy.

16 MR. ACOSTA: Well --

17 MR. BUNCHER: It's --

18 MR. ACOSTA: We would like to find out --

19 MR. BUNCHER: But it's --

20 MR. ACOSTA: -- why they're in bankruptcy,

21 if there are restrictions to them moving to the state of

22 Texas. And so is --

23 MR. BUNCHER: Covered in the last meeting.

24 MR. ACOSTA: -- the NRA aware of

25 restrictions -- I'm sorry?

Page 75

1 MR. BUNCHER: Covered in the last meeting.

2 MR. ACOSTA: Okay. Well, it's a simple

3 answer. Is the NRA aware of restrictions from moving

4 out of the state of New York?

5 MR. BUNCHER: Objection --

6 MR. TERRELL: Well, this is counsel for --

7 MR. BUNCHER: -- calls for a legal

8 conclusion.

9 MR. TERRELL: -- counsel for Wayne

10 LaPierre. To the extent that your question implies

11 the -- for a -- a premise which constitutes a legal

12 conclusion, I think it's unfair to ask Mr. LaPierre to

13 opine on a legal issue.

14 MR. ACOSTA: Okay. Well, take legal out of

15 it. Any restrictions that you are aware of for moving

16 out of the state of New York -- that the NRA is aware

17 of, from a -- just a pure business person standpoint?

18 MR. LaPIERRE: Well, what motivated our

19 filing wasn't to avoid a -- a -- a -- a -- a --

20 a -- a -- a fight with General James. It was -- it --

21 we're still pursuing our two First Amendment lawsuits up

22 there and, I mean, like -- I mean, like everyone else,

23 the NRA wants a level playing field and -- and we -- you

24 know, we -- we thought it was in the best interest of

25 our members to -- to go to the federal court and file a

Page 76

1 Chapter 11 bankruptcy and ask for a -- the court's

2 permission to reincorporate in the state of Texas.

3 And, then, we are actively considering

4 moving a -- a -- a -- a good part of our facility to --

5 to a state of Texas -- to -- to the state of Texas.

6 MR. ACOSTA: And -- and by the fact that

7 you are saying that you did not try to avoid two

8 lawsuits and are still pursuing them kind of suggests to

9 me that you know there are restrictions from moving out

10 of the state of Texas, Mr. LaPierre -- I mean --

11 MR. BUNCHER: And --

12 MR. ACOSTA: -- out of the state of New

13 York.

14 MR. BUNCHER: And -- and --

15 MR. LaPIERRE: You -- you're --

16 MR. BUNCHER: -- hold on --

17 MR. LaPIERRE: -- really into legal --

18 MR. BUNCHER: -- (inaudible) --

19 MR. LaPIERRE: -- ground that I will defer

20 to the general counsel on, that has a better --

21 THE U.S. TRUSTEE: Let's --

22 MR. LaPIERRE: -- knowledge of --

23 THE U.S. TRUSTEE: Let's just --

24 MR. LaPIERRE: -- that than I do.

25 THE U.S. TRUSTEE: Let's just not badger

Page 77

1 the witness.
 2 MR. BUNCHER: Yeah. Ms. --
 3 THE U.S. TRUSTEE: Just --
 4 MR. BUNCHER: -- Lambert --
 5 THE U.S. TRUSTEE: -- ask a question.
 6 MR. ACOSTA: Okay. All right. I can move
 7 on. This is --
 8 MR. BUNCHER: Ms. Lambert --
 9 MR. ACOSTA: This is --
 10 MR. BUNCHER: -- we're going to object.
 11 MR. ACOSTA: This is way too difficult.
 12 MR. BUNCHER: This is like --
 13 THE U.S. TRUSTEE: We're --
 14 MR. BUNCHER: -- cross --
 15 THE U.S. TRUSTEE: We're done.
 16 MR. BUNCHER: This is -- this is --
 17 THE U.S. TRUSTEE: We're done. We're done.
 18 Okay. He's moving on.
 19 MR. ACOSTA: All right. All right. So
 20 moving on to financial situations, I think the NRA
 21 disclosed it had \$249.4 million in assets? Is that
 22 about right, Mr. Warren?
 23 MR. WARREN: Yes.
 24 MR. ACOSTA: Then about, approximately,
 25 111 mill -- 111.2 million in as -- in liabilities?

Page 78

1 MR. WARREN: That's correct.
 2 MR. ACOSTA: Okay. And out of the
 3 assets -- let's talk about that for a second -- there's,
 4 approximately, 185 million in personal property?
 5 MR. WARREN: Yes.
 6 MR. ACOSTA: And out of that there's,
 7 approximately, \$150 million in liquidity?
 8 MR. WARREN: There are restrictions around
 9 those assets, so liquidity is -- by definition of the
 10 Schedule, yes, but there are restrictions on -- on those
 11 assets.
 12 MR. ACOSTA: Well, let's go down each one,
 13 if you don't mind. There's 36.6 million in cash on
 14 deposits at various bank accounts.
 15 MR. WARREN: Correct.
 16 MR. ACOSTA: How much of that is
 17 restricted?
 18 MR. WARREN: Approximately, 25.6 million.
 19 MR. ACOSTA: Okay. There's 5.6 million in
 20 prepaids on deposits. How much of that is restricted?
 21 MR. WARREN: I believe thos -- none of
 22 those are restricted.
 23 MR. ACOSTA: Okay. There's, approximately,
 24 55.4 million in collectible AR. How much of that is
 25 restricted?

Page 79

1 MR. WARREN: Approximately, 35.3 million.
 2 MR. ACOSTA: Okay.
 3 MR. BUNCHER: That -- and I would refer you
 4 to the -- to the notes where tho -- that's disclosed,
 5 Mr. Acosta.
 6 MR. ACOSTA: Yeah, and I appreciate that.
 7 And there was \$64 million in mutual funds;
 8 how much of that is restricted?
 9 MR. WARREN: Approximately, 41 million.
 10 MR. ACOSTA: 41 million. Okay. So, I
 11 mean, it -- was -- was the NRA facing a liquidity crisis
 12 at the time it filed bankruptcy?
 13 MR. WARREN: No.
 14 MR. ACOSTA: Was it able to pay its debts
 15 normally, like any other profit organization?
 16 MR. WARREN: As of -- as of January 15,
 17 2021, yes.
 18 MR. ACOSTA: And normally -- what I mean by
 19 "normally" is, was it able to pay on time, you know,
 20 when things are due?
 21 MR. WARREN: Under a normal course, yes.
 22 MR. ACOSTA: Okay. And I believe you
 23 disclosed that there was about 44.5 million in -- in
 24 three loans made by Atlantic Union Bank?
 25 MR. WARREN: That's correct.

Page 80

1 MR. ACOSTA: Was -- there -- there was no
 2 defaults under any of those loans -- has there been any
 3 default under any of those loans?
 4 MR. WARREN: No, there has not.
 5 MR. ACOSTA: Okay. Within the last two
 6 years?
 7 MR. WARREN: No, there has -- there were
 8 not.
 9 MR. ACOSTA: Okay.
 10 I'm almost done, Ms. Lambert. I promise.
 11 THE U.S. TRUSTEE: You knew I was coming to
 12 ask you.
 13 MR. ACOSTA: Yeah. I have three more
 14 questions, but I figured I -- I might as well ask them.
 15 Back to Sea Girt. Without getting into any
 16 attorney-client privilege, what was the corporate or
 17 business justification for forming Sea Girt?
 18 MR. LaPIERRE: It was to -- it was --
 19 was -- it was to facilitate and to do the -- put an
 20 entity in a place that -- or how could I say it -- to do
 21 the -- to do the preliminary work to facilitate a move
 22 to Texas, if it's --
 23 MR. ACOSTA: Okay.
 24 MR. LaPIERRE: -- approved by the -- by the
 25 court and the judge.

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| <p style="text-align: right;">Page 81</p> <p>1 MR. ACOSTA: Okay. So what was the 2 business justification for putting it in bankruptcy? 3 MR. LaPIERRE: I -- I'm not a lawyer. 4 I'll -- I'll -- from what I understand legally, that was 5 the -- the Chapter 11 reorganization was the -- was the 6 proper way to -- I'll -- but I will defer to the lawyers 7 to answer that. 8 MR. ACOSTA: So does that mean that you are 9 not aware of any business justification for why it wa -- 10 was in bankruptcy? 11 MR. BUNCHER: Objection, answered, 12 badgering, cross-examination for purposes of litigations 13 and motions to dismiss. Not appropriate for a 14 341 Meeting, Ms. Lambert. 15 THE U.S. TRUSTEE: Okay. Mr. Buncher, the 16 problem is that the 341 covers the same things that -- 17 appropriate questions for a 341 are: Why you are in 18 bankruptcy and what you are planning to do to get out of 19 the bankruptcy -- 20 MR. BUNCHER: Which has -- 21 THE U.S. TRUSTEE: -- and how -- 22 MR. BUNCHER: -- been answered in the first 23 meeting and -- and now it's just become a badgering of 24 our witnesses. 25 THE U.S. TRUSTEE: Well, I've --</p> | <p style="text-align: right;">Page 83</p> <p>1 Sea Girt in bankruptcy? 2 MR. BUNCHER: Objection, calls for a legal 3 conclusion and, also, calls for attorney-client 4 communication. To the extent you can answer, without 5 revealing either of those, Mr. Frazer, you can answer. 6 But we have covered that in the first 7 meeting, Ms. Lambert. 8 MR. ACOSTA: You can go ahead and answer, 9 Mr. Frazer. 10 MR. FRAZER: And -- and I -- I don't think 11 I can -- I don't think I have anything to add that 12 wouldn't -- you know, that we haven't previously 13 addressed that wouldn't touch on privileged matters. 14 MR. ACOSTA: Okay. Then let me just ask 15 the same question. Was there any corporate or business 16 justification for the NRA filing bankruptcy? 17 MR. BUNCHER: Objection to the extent it 18 calls for a legal conclusion or legal strategy, attorney 19 work product. Beyond that, you can answer the question. 20 MR. ACOSTA: I'm asking for corporate or 21 business -- 22 MR. FRAZER: I don't think -- 23 MR. ACOSTA: -- justification for the NRA 24 to file bankruptcy. 25 MR. FRAZER: I don't think I have any --</p> |
| <p style="text-align: right;">Page 82</p> <p>1 MR. BUNCHER: My adversary -- 2 THE U.S. TRUSTEE: He has two more 3 questions, Mr. Buncher. 4 MR. BUNCHER: Okay. Well, it's getting out 5 of control, in my opinion. 6 MR. LaPIERRE: When -- when the plans came 7 together to -- to -- it -- it became obvious 8 that -- you know, that -- that Texas was a good option 9 and then we needed an entity, Sea Girt was formed to 10 facilitate that transition. The other thing and -- 11 and -- and -- and in the Chapter 11 reorganization 12 bankruptcy was -- I'm not a lawyer, again, but from what 13 I have -- have been -- understand from the lawyers, is 14 that the proper way to do that was the Chapter 11 15 filing. 16 The bankruptcy was also a way to streamline 17 and organize and reduce all of these litigation costs 18 that -- that the NRA was being burdened with -- 19 MR. ACOSTA: Okay. Well -- 20 MR. LaPIERRE: -- and -- and still not -- 21 MR. ACOSTA: Now, let me ask -- 22 MR. LaPIERRE: -- give up any -- and still 23 not give up any of our -- our claims. 24 MR. ACOSTA: Let me ask Mr. Frazer the same 25 question. What was the justification of putting</p> | <p style="text-align: right;">Page 84</p> <p>1 beyond -- outside of privileged communications, I don't 2 think I have anything to add to what Mr. LaPierre 3 stated. 4 MR. ACOSTA: Okay. To -- so streamline 5 litigation and -- and -- and facilitate the move to 6 Texas; is that right? 7 MR. LaPIERRE: Yes. 8 MR. FRAZER: Yes. 9 MR. ACOSTA: I'm wondering -- 10 THE U.S. TRUSTEE: You're -- you're out of 11 questions, Mr. Acosta. 12 MR. ACOSTA: Fair enough. Fair enough. 13 Thank you very much, gentlemen, for your 14 time. 15 MR. LaPIERRE: Thank you. 16 MR. BUNCHER: And for the record, I would 17 just ask Ms. Lambert -- 18 THE U.S. TRUSTEE: Operator, would you 19 please open the line to questions from the floor? 20 MS. MIRANDA: Ms. Lambert, this is Leonor 21 with the D.C. Attorney General's Office. 22 THE U.S. TRUSTEE: Okay. 23 MS. MIRANDA: We had a few additional 24 questions. 25 THE U.S. TRUSTEE: I'm opening up the floor</p> |

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| <p style="text-align: right;">Page 85</p> <p>1 to questions from the audience at this point. I'll 2 return to your questions after I do that. 3 MS. MIRANDA: Okay. Thank you. 4 THE OPERATOR: Thank you. 5 We will now begin the question-and-answer 6 session. If you would like to ask a question, please 7 press star 1, unmute your phone, and record your name 8 clearly. Your name is required to introduce your 9 question. If you need to withdraw your question, press 10 star 2. Again, to ask a question, please press star 1. 11 It will take a few moments for the 12 questions to come through. Please stand by. Our first 13 question is from Daniel Callahan. 14 Go ahead, your line's open. 15 THE U.S. TRUSTEE: Mr. Callahan, I need you 16 to state your name, what the nature of your relationship 17 to the NRA is, please -- if you are a Creditor. 18 MR. CALLAHAN: Hi, good -- good af -- good 19 afternoon. I am with the Law Offices of Michael Reznick 20 and we are representing a number of Creditors and 21 parties of interest in the NRA, and my question is to 22 Mr. LaPierre. 23 Good morning -- good afternoon, 24 Mr. LaPierre. 25 MR. LaPIERRE: Good afternoon.</p> | <p style="text-align: right;">Page 87</p> <p>1 we are now going back up to 575 or 600 that -- that we 2 are -- we are free to run. 3 We're having a meeting next week in regard 4 to the national shooting matches at -- at Camp Atterbury 5 as to whether, with COVID, we can -- we can do those or 6 not. Most of the general operation -- operations, to 7 tell you the truth, it's -- it's -- it's been more of a 8 COVID issue, to tell you the truth, that we have been 9 dealing with. But the day-to-day activities of the 10 organization and its mission goes on. 11 MR. CALLAHAN: Is -- is there a form, 12 Mr. LaPierre, in which supporters of the NRA -- like 13 ourselves and creditors -- can pitch in to -- to support 14 you and -- 15 THE U.S. TRUSTEE: Are you a Creditor? 16 MR. CALLAHAN: -- and what you are trying 17 to do? 18 THE U.S. TRUSTEE: Sir -- 19 MR. CALLAHAN: We are, ma'am. 20 THE U.S. TRUSTEE: -- are your clients 21 Creditors? How are they Creditors? 22 MR. CALLAHAN: They are vendors. 23 THE U.S. TRUSTEE: Okay. Have you filed a 24 statement of multi-party representation? 25 MR. CALLAHAN: No, we have not.</p> |
| <p style="text-align: right;">Page 86</p> <p>1 MR. CALLAHAN: Thank you very much for your 2 leadership throughout these decades. Our question 3 relates to the ongoing operations and the operations of 4 the various committees and advocacies that your 5 organization has been creating in this time of unique 6 circumstances of the bankruptcy. How are you assuring 7 the ongoing support to the donor base and to the people 8 who need your assistance in their -- protection of their 9 various constitutional interests? 10 MR. LaPIERRE: Thank you for the question. 11 We are continuing with the day-to-day operations of the 12 NRA and the -- the mission of the NRA. The Institute 13 for Legislative Action is continuing with its 14 legislative and political activities, not only on 15 Capitol Hill, but throughout the -- throughout the 16 United States and cities, towns, state legislatures. As 17 always, the -- our publications division is publishing 18 its magazines. 19 As -- as -- as always, the -- our general 20 operations people are -- are still -- that do the 21 competitions, the matches, the safety and the training 22 of law enforcement and all of that, some of that has 23 been restricted by COVID restrictions in various states, 24 but we are starting to get back to normal. For example, 25 our Friends' dinners, I think, have gone -- are -- we --</p> | <p style="text-align: right;">Page 88</p> <p>1 THE U.S. TRUSTEE: I would be grateful if 2 you would do that. 3 MR. CALLAHAN: We shall. 4 Go ahead, Mr. LaPierre. 5 MR. LaPIERRE: Well, the -- the forms 6 are -- are -- are -- are available, as always, to -- to 7 help the NRA. If it's legislative and political, ILA -- 8 donating to ILA. If it's -- if it's the NRA, donating 9 to the NRA or buying ads in the magazines or helping 10 with the -- with the NRA Office of Advancement. And -- 11 and then there's the -- independently, there's the 12 NRA Foundation, which help -- helps, you know, among 13 other things, fund the 501(c)(3) needs of -- of programs 14 of the organization, like -- like the safety, training, 15 education, child safety programs, competitions, matches, 16 things like that. 17 MR. CALLAHAN: And, Mr. LaPierre, have you 18 created an outreach to explain to the donors and the 19 creditors what the plan is with the NRA and how you are 20 going to restructure it as part of your plan of 21 reorganization in the future and how your base can get 22 involved in supporting that? 23 THE U.S. TRUSTEE: So excuse -- 24 MR. LaPIERRE: We are -- 25 THE U.S. TRUSTEE: Excuse me for a second.</p> |

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| <p style="text-align: right;">Page 89</p> <p>1 The disclosure statement must be approved by the 2 bankruptcy court and there are risks to putting any 3 statements about what the bankruptcy is going to do 4 without having a disclosure statement approved by the 5 court.</p> <p>6 MR. CALLAHAN: I understand. 7 Go ahead, Mr. LaPierre, if you could please 8 ed -- edify us.</p> <p>9 MR. LaPIERRE: Well, we are working -- we 10 are working with our -- our Board of Directors in terms 11 of -- in terms of -- of -- of things like that, 12 the restructuring, and -- and we are still in the 13 process of -- of putting that together.</p> <p>14 MR. CALLAHAN: What about outreach towards 15 the grassroots, like, the vendors, creditors, donors on 16 a -- on an ongoing basis in the various states you are 17 involved in?</p> <p>18 MR. LaPIERRE: We have -- we have 19 contacted, as -- as far as I'm aware, our creditors -- 20 and if there's someone from fiscal, if -- if -- and -- 21 and -- and let them know that we intend to -- to -- to 22 make good on their -- on their -- on their -- on their 23 claims.</p> <p>24 So Son -- Ms. Rowl -- Ms. Rowling? Sonya? 25 MS. ROWLING: We reached out to a -- a</p> | <p style="text-align: right;">Page 91</p> <p>1 chaotic affair, and I think you, as the leader of this 2 organization and movement, should consider -- in the 3 very near future -- to create such a platform and -- and 4 outreach to your members. Do you intend to do that even 5 though --</p> <p>6 MR. LaPIERRE: I -- I -- I appreciate the 7 suggestion. I mean, we -- we -- we're -- we're looking 8 at -- at -- at various things like that. I -- I gave a 9 speech on Sunday where I -- I -- I talked about a -- I 10 talked about what was going on and I talked about why 11 the NRA was doing what it was doing. I did a television 12 show last week talking about it and I have written 13 articles in the -- an article in the magazine about it.</p> <p>14 And, yeah, we'll continue to look for 15 other -- other platforms to -- believe me, because we 16 know that the only reason -- I mean, the NRA, what makes 17 it work, isn't this concrete building in Washington. 18 It's -- it's members all over the country and what's in 19 their hearts and their passion, and that's why this 20 organization is just -- the whole basis of its success. 21 So we -- and -- and -- and the good news is, our 22 membership has been very supportive of what we have 23 done.</p> <p>24 Our membership has been rising for the last 25 several months -- probably, about the last eight months,</p> |
| <p style="text-align: right;">Page 90</p> <p>1 certain number of these vendors. They -- I wouldn't say 2 all, but there were a large list and it was just a -- a 3 letter stating our in -- our intent. But, obviously, 4 that intent is directed by the courts.</p> <p>5 MR. CALLAHAN: Is there -- can we expect -- 6 MR. LaPIERRE: And we continue to keep our 7 members informed on what's going on through the 8 magazines and -- articles in the magazines.</p> <p>9 THE U.S. TRUSTEE: Sir -- 10 MR. CALLAHAN: Well -- 11 THE U.S. TRUSTEE: -- I had -- 12 MR. CALLAHAN: -- is -- 13 THE U.S. TRUSTEE: -- asked in the Notice 14 of the 341 Meeting that you had more than two or three 15 questions, that you would get on the list to ask 16 questions that were lengthier. How many more questions 17 do you have today?</p> <p>18 MR. CALLAHAN: Just two. 19 THE U.S. TRUSTEE: Okay. That's fine. 20 MR. CALLAHAN: Mr. LaPierre, can we expect 21 and hope to receive, in the very, very near future, 22 perhaps, a -- a Zoom or platform call where you and the 23 people that look up to you and what do you, to be 24 edified about this situation? Because the general 25 consensus of others is that there's -- it's quite a</p> | <p style="text-align: right;">Page 92</p> <p>1 and -- and we -- as we continue to move forward.</p> <p>2 MR. CALLAHAN: If you don't mind, 3 Mr. LaPierre, I would like to suggest that you 4 consider -- given the unique circumstances --</p> <p>5 THE U.S. TRUSTEE: Sir -- 6 MR. CALLAHAN: -- involved -- 7 THE U.S. TRUSTEE: Sir, are you asking 8 questions? This is --</p> <p>9 MR. CALLAHAN: I am. 10 THE U.S. TRUSTEE: -- not a -- this is not 11 a suggestion time. This is an asking-questions time. 12 MR. CALLAHAN: It -- the question is, 13 Mr. LaPierre: Is there a direct advocacy footnote or 14 place within your bankruptcy petition where advocacy for 15 the Second Amendment guns right can be -- can be viewed 16 and for -- for us, as creditors and the public in 17 general, to make sure that you're -- you are continued 18 to be enabled to do your primary work, which is protect 19 and support the Second Amendment?</p> <p>20 MR. LaPIERRE: That -- that's kind of a 21 legal question that I would have to refer to -- as to 22 whether that needed to be within a -- a filing. All I 23 can tell you is, the Institute for Legislative Action, 24 nothing has changed. They continue on fighting for the 25 Second Amendment to the Constitution of the United</p> |

Page 93

1 States every day and carrying out that core mission of
 2 the NRA that is in the bylaws.
 3 MR. CALLAHAN: Thank you, Mr. LaPierre,
 4 I don't --
 5 MR. LaPIERRE: Thank you.
 6 MR. CALLAHAN: -- have anymore questions.
 7 God bless.
 8 MR. LaPIERRE: You, too.
 9 THE OPERATOR: Our next question is from
 10 David. Go ahead, your line's open.
 11 MR. DELL'AQUILA: Yes. This is David
 12 Dell'Aquila, plaintiff in the class action suit against
 13 the NRA. I have several questions, depending on, you
 14 know, the response. You know -- you know, we may need
 15 clarification, but the shorter you keep your
 16 questions -- I mean, your answers, I can get through
 17 mine.
 18 And I want to thank everybody here for
 19 participating -- Ms. Lambert, and -- and everyone
 20 else -- I'm not going through -- through all the
 21 names -- and I just want to -- you know, I'm not sure --
 22 I -- there's some question from the NRA in front of
 23 Judge Hale was, like --
 24 THE U.S. TRUSTEE: Mr. Dell'Aquila --
 25 MR. DELL'AQUILA: -- nothing's been done in

Page 94

1 18 --
 2 THE U.S. TRUSTEE: Mr. Dell'Aquila, just
 3 please ask some questions.
 4 MR. DELL'AQUILA: Okay. So quick
 5 clarification on -- on a participant asking some
 6 questions. Does the NRA have -- I'm not asking who it
 7 is, but do they have directors and officers insurance
 8 indemnity? Actually, this would be a -- a yes or no. I
 9 guess, Wayne -- I will ask Wayne, first -- I mean -- I
 10 mean -- sorry.
 11 THE U.S. TRUSTEE: I (inaudible) --
 12 MR. LaPIERRE: Well, let -- let -- let me
 13 just refer that to our -- to our general counsel --
 14 our -- our le -- legal, John Frazer.
 15 MR. FRAZER: Mr. -- Mr. Dell'Aquila, this
 16 is -- good to hear from you, again. We -- we -- yes, we
 17 have directors and officers insurance. It's described
 18 in the -- in the Schedules or Statements.
 19 MR. DELL'AQUILA: Okay. Thank you. And
 20 then another question. I heard Mr. LaPierre mention
 21 about, they -- they thought about moving out of New York
 22 before Governor Cu -- Cuomo and -- and the Attorney
 23 General -- one -- is it true about 20 years ago that
 24 came up about moving out of New York and that was
 25 defeated or -- or it -- it was voted down?

Page 95

1 MR. LaPIERRE: Well, it -- I wasn't with
 2 the NRA at the time and if -- if there's a -- a --
 3 but -- but, as I understand that, the real issue at that
 4 time was that the -- the -- the -- the people that were
 5 leading the NRA wanted to turn it more into a
 6 conservation organization and they intended to move it
 7 out of Washington, D.C.
 8 And con -- people like Congressman John
 9 Dingell, along with numerous other leaders of the NRA at
 10 that point, got together and wanted the NRA to be a
 11 Second Amendment advocacy organization, in addition to
 12 doing all the general operation programs, and -- and --
 13 and they ended up winning that fight. And at that
 14 point, they decided to keep the NRA in Washington and
 15 not let it move to somewhere else and become more of a
 16 conservation organization.
 17 MR. DELL'AQUILA: Okay. So, my
 18 understanding, is that Mr. LaPierre that -- that -- that
 19 was speaking?
 20 MR. LaPIERRE: That's correct.
 21 MR. DELL'AQUILA: And you -- did I mis -- I
 22 heard you said you weren't with the NRA at that time --
 23 MR. LaPIERRE: I was not with the --
 24 MR. DELL'AQUILA: -- in -- in the '90s?
 25 MR. LaPIERRE: -- NRA at that time.

Page 96

1 MR. DELL'AQUILA: So that did not come up
 2 in --
 3 MR. LaPIERRE: No. No. No.
 4 MR. DELL'AQUILA: -- the 19 --
 5 MR. LaPIERRE: You are talking -- you are
 6 talking -- I mean, what you are talking about occurred,
 7 I believe, in the late '60s or -- or mid-'70s.
 8 MR. DELL'AQUILA: No. No. No. No. No,
 9 what I'm talking about is --
 10 MS. MIRANDA: Ms. Lambert --
 11 MR. DELL'AQUILA: -- my understanding --
 12 MS. MIRANDA: -- this is -- this is Leonor
 13 with the District of Columbia. We have several
 14 questions that we would like to ask and would like to be
 15 given some time.
 16 MR. DELL'AQUILA: Okay. Well, my questions
 17 aren't relevant when it goes to your -- the -- it -- I
 18 mean, it -- it's going to be continued. Well,
 19 obviously, my questions are after yours. I'll -- you
 20 can go -- you go next and then I'll bring my questions
 21 up.
 22 THE U.S. TRUSTEE: Mr. Dell'Aquila --
 23 MR. DELL'AQUILA: I -- I --
 24 THE U.S. TRUSTEE: -- can you finish your
 25 question?

Page 97

1 MR. DELL'AQUILA: Sure. I've got -- loo --
2 loo -- looking at -- yeah, I'm looking at your nine --
3 your -- your 990s and trying to understand why, in 2013,
4 2014, 2015, 2016, and 2017, the charity for Youth for
5 Tomorrow wa -- was not reported on the -- your 990s.
6 THE U.S. TRUSTEE: You know,
7 Mr. Dell'Aquila, those -- I understand that's a question
8 that you have, but it relates to your litigation, so
9 it's not -- or not really a question for here today. It
10 is a question for your --
11 MR. DELL'AQUILA: It --
12 THE U.S. TRUSTEE: -- litigation, but not
13 for here today.
14 MR. DELL'AQUILA: Okay. It's -- okay. I'm
15 just trying to get through -- it was reported in 2011 --
16 THE U.S. TRUSTEE: Okay. So we had talked
17 about --
18 MR. DELL'AQUILA: Okay.
19 THE U.S. TRUSTEE: We had talked about --
20 MR. DELL'AQUILA: Okay.
21 THE U.S. TRUSTEE: -- maybe, three
22 questions and I think that you've asked your three now.
23 But we're going to be back --
24 MR. DELL'AQUILA: Okay.
25 THE U.S. TRUSTEE: -- in a week, so can you

Page 98

1 hold on?
2 MR. DELL'AQUILA: Yes. Thank you,
3 Ms. Lambert.
4 THE U.S. TRUSTEE: All right. Other
5 questions from the floor, please?
6 THE OPERATOR: So no further questions on
7 the phone lines now.
8 THE U.S. TRUSTEE: D.C. AG's Office?
9 MS. MIRANDA: Thank you, Ms. Lambert. This
10 is my first time attending a bankruptcy hearing. This
11 is Leonor Miranda with the D.C. Attorney General's
12 Office and I represent the District of Columbia. I have
13 several questions and they, primarily, relate to two --
14 two things. So, hopefully, it won't take too long.
15 During the February 22nd meeting, we asked
16 the NRA questions relating to a \$32 million asset that
17 was listed on its most recent 990 filing and that was
18 listed on Schedule D, Part 9, and it was categorized as
19 "due from the Foundation." Can the NRA confirm that
20 that asset is reflected in its Schedule -- its Schedule
21 A of the -- oh, sorry, in -- yes, Schedule A, Part 3,
22 Question 11, under "accounts receivable." There is a
23 \$64,072,298.70 -- 70 cents face amount -- amount listed.
24 Is that \$32 million fully included in that
25 \$64 million listing?

Page 99

1 MR. WARREN: Yes. This is Mr. Warren.
2 Yes, it is.
3 MS. MIRANDA: And next to that, there is
4 about \$8.6 million that's identified as a subset of the
5 64 million that's listed as "doubtful" or uncollectible
6 accounts." Is any of the \$32 million assets listed on
7 the 990, are any of those assets included in the
8 8.6 million amount?
9 MR. WARREN: No, they do not assign
10 themselves to that receivable.
11 MS. MIRANDA: And Question 12, in that
12 same -- in Part 3 on your accounts receivable, the total
13 amount of accounts receivable is about \$56 million. Is
14 the full \$32 million asset "due from the Foundation"
15 listed, is it included fully in that \$56 million figure?
16 MR. WARREN: Yes, it is.
17 MS. MIRANDA: And from -- the \$32 million
18 asset that was listed on the 990, that -- that consists
19 of assets that are exclus -- are purely restricted
20 funds, right?
21 MR. WARREN: That's correct. It would be
22 classified as restricted.
23 MS. MIRANDA: And what type of restrictions
24 apply to those funds?
25 MR. WARREN: That is -- that is a

Page 100

1 receivable for endowment funds with the Foundation. So
2 those -- those funds are, specifically, restricted based
3 on the endowment placement.
4 MS. MIRANDA: Okay. And when the --
5 when -- when the NRA receives these funds, are all
6 these -- funds coming in from the accounts receivable,
7 are they all placed in, like, one specific account
8 together?
9 MR. WARREN: Are you asking specific to
10 ordinary receivables or specific to the endowment?
11 MS. MIRANDA: I'm looking at the
12 \$64-million figure and I'm trying to figure out if, you
13 know, there is, like, an account that just adds up to
14 \$64 million or if you're adding up several different --
15 MR. WARREN: Yeah.
16 MS. MIRANDA: -- accounts in the NRA to
17 come up to that number?
18 MR. WARREN: No. There's several --
19 several accounts that are utilized to come up with
20 that -- that consolidated position.
21 MS. MIRANDA: And is there a separate
22 endowment account?
23 MR. WARREN: Yes.
24 MR. BUNCHER: I think -- I don't know if
25 you were -- this is Mr. Buncher. I don't know if you

Page 101

1 were present at the initial meeting, but this was
 2 discussed, and Ms. Rowling testified that the NRA only
 3 receives money from the endowment after it has spent
 4 money on a qualified 501(c)(3) activity, and then they
 5 request and receive reimbursement of those costs. So I
 6 don't know if you were present or not for that.
 7 MS. MIRANDA: I was not, but thank you for
 8 that clarification.
 9 And I have one last question regarding this
 10 topic. So over half -- I'm taking into consideration
 11 the \$32 million asset that's restricted funds or -- or
 12 endowment funds, and that makes up over half of that
 13 \$56 million; that's listed as the NRA's accounts
 14 receivable?
 15 MR. WARREN: Correct.
 16 MS. MIRANDA: Great. And the only other
 17 question that I have relates to the -- and -- and, you
 18 know, I think it's about 106 transfers relating to
 19 return of grant funding from the NRA -- to the NRA
 20 Foundation, and I just wanted to follow up. I didn't
 21 know if my colleague at the first meeting requested
 22 (inaudible), and if you -- if the NRA could provide
 23 documents identifying what specific grants those are;
 24 whether it's the nature of the grants, grants'
 25 identification numbers on the specific accounts that

Page 102

1 correspond to those transactions. And we can follow up
 2 that, you know, with an email request.
 3 MR. BUNCHER: Well, this is Mr. Buncher.
 4 Those transactions were discussed in the first meeting
 5 as well.
 6 MS. MIRANDA: I'm sorry. Can you repeat
 7 that?
 8 MR. BUNCHER: I said those transactions you
 9 are referring to, with the Foundation, were discussed in
 10 the first meeting.
 11 MS. MIRANDA: Oh, okay. And so in the
 12 first meeting, the NRA identified exactly what each
 13 grant -- out of the hun -- the ones -- the 106 grants
 14 that were listed, and has described the nature of those
 15 grants and the --
 16 MR. BUNCHER: No. No.
 17 MS. MIRANDA: I'm sorry.
 18 MR. BUNCHER: I think there was general
 19 testimony about what those represented and I can't
 20 recall if it was Ms. Rowling or Mr. Warren who -- who
 21 described that.
 22 MS. MIRANDA: Okay. I'm going to --
 23 MR. BUNCHER: But it --
 24 MS. MIRANDA: -- ask at this time --
 25 MR. BUNCHER: It wasn't -- but just so I'm

Page 103

1 clear, it wasn't specific each and every single one.
 2 But they did describe it, generally, of -- of what those
 3 represent.
 4 MS. MIRANDA: Okay. Well, can the NRA
 5 provide documents that specify the additional
 6 information relating to the nature of the grants, grant
 7 numbers or the specific ac -- accounts for those
 8 transactions for the NRA Foundation?
 9 MR. BUNCHER: Are -- you might need to ask
 10 one of the witnesses if there are any documents about
 11 that. I -- I don't know.
 12 MS. MIRANDA: Okay. Ms. Rowling?
 13 MS. ROWLING: Yes.
 14 MS. MIRANDA: Are there any documents
 15 relating to the 106 transactions listed on Pages 39
 16 through 41 of the Statement of Financial Affairs,
 17 listing transfers from the NRA to the NRA Foundation,
 18 identified as -- it -- I think it's on returned funds or
 19 state -- okay. Give me one second. I don't want to
 20 mis -- "unused grant funds"?
 21 MS. ROWLING: Yes. We can -- we can
 22 provide the grant number associated with those.
 23 MS. MIRANDA: And are all those grants
 24 held, you know, in one -- in -- all together in one
 25 particular NRA account or are they held in separate

Page 104

1 accounts?
 2 MS. ROWLING: I'm not sure I understand
 3 exactly what you're asking --
 4 MS. MIRANDA: Sure. So --
 5 MR. ROWLING: -- but I can still --
 6 MS. MIRANDA: So the transactions that are
 7 listed in -- are -- are those funds coming out of one
 8 particular account within the NRA -- when they are being
 9 transferred to the NRA Foundation -- or are they coming
 10 from different -- are they originating from different
 11 NRA accounts?
 12 MS. ROWLING: NRA bank accounts? I -- I --
 13 MS. MIRANDA: Sure.
 14 MR. ROWLING: Still I would --
 15 MS. MIRANDA: I mean, I'm just asking
 16 for --
 17 MR. ROWLING: -- want some clarification;
 18 exactly what accounts --
 19 MS. MIRANDA: Sure. NRA bank --
 20 MR. ROWLING: -- are you talking about?
 21 MS. MIRANDA: -- accounts or if they cla --
 22 you know, they are held -- yeah, sure -- in NRA bank
 23 accounts.
 24 MR. BUNCHER: Okay. Let me -- let me try
 25 to clarify this -- this is Mr. Buncher -- because --

Page 105

1 just to try to speed this up.
2 Ms. Rowling, those are transactions that
3 were called "unused grant funds"; is that correct?
4 MS. ROWLING: That's correct.
5 MR. BUNCHER: And those are instances where
6 grant money was not spent and is returned back to the
7 Foundation; is that right?
8 MS. ROWLING: That's correct.
9 MR. BUNCHER: Okay. So I just want -- I
10 just wanted to clarify that's what we are talking about
11 here.
12 MS. MIRANDA: Yes. That is exactly what we
13 are talking about are --
14 THE U.S. TRUSTEE: Let's -- let me ask
15 you --
16 MS. MIRANDA: -- (inaudible) --
17 THE U.S. TRUSTEE: Wait. Wait. Let's hold
18 up just a second.
19 When you provide the list of the items
20 incorporated to the D.C. AG's Office will, in it,
21 reflect the bank accounts out of which the funds came?
22 MS. ROWLING: Well, we only have one bank
23 account from which we cut checks from, so it would have
24 been one bank account.
25 THE U.S. TRUSTEE: Okay. So --

Page 106

1 MS. ROWLING: However, we track the
2 restriction on those funds in a restricted net asset
3 account. So it's an accounting thing, but it comes out
4 of a bank account. But it's restricted from an
5 accounting ex -- perspective.
6 MS. MIRANDA: And in that restricted net
7 asset account, is it further restricted depending on,
8 you know, the particular grant that the funds are
9 supposed to go to?
10 MS. ROWLING: Yes, it is.
11 MS. MIRANDA: And so we would just place a
12 request for that information, particularly, for those
13 106 transactions that are listed -- listed --
14 MR. BUNCHER: Okay.
15 MS. MIRANDA: -- on Question 4.
16 MR. BUNCHER: We have noted your request.
17 MS. MIRANDA: Thank you. That sums up my
18 questions.
19 THE U.S. TRUSTEE: All right.
20 MS. MIRANDA: And I, respectfully, reserve
21 our time if we have any additional questions in the
22 future. Thank you.
23 THE U.S. TRUSTEE: So your time is
24 reserved.
25 So we will come back next Friday at 1:00.

Page 107

1 I'm anticipating that the questions will continue to
2 narrow, based on the Schedules and Statements of Fin --
3 Financial Affair amendments, and the discovery that was
4 produced that was not -- was not subject to questioning
5 today. I will try to get the same call-in numbers, but
6 I don't know that that will be possible. Look on the
7 court's docket to ensure that we were able to get the
8 same numbers.
9 Thank you -- thank everyone for their
10 participation today.
11 MR. BUNCHER: Thanks.
12 MR. WARREN: Thank you.
13 MR. LaPIERRE: Thanks.
14 MR. ROWLING: Thank you.
15 MR. OWENS: Thank you.
16 THE U.S. TRUSTEE: Operator, we are going
17 to disconnect --
18 MR. FRAZER: Thank you.
19 THE U.S. TRUSTEE: -- now. Thank you.
20 THE OPERATOR: That concludes today's
21 conference. Thank you for participating. You may
22 disconnect at this time.
23 (End of proceedings)
24 (End of audio file)
25

Page 108

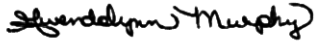
1 I, Gwendolynn R. Murphy, Certified Shorthand
2 Reporter in and for the State of Texas, do hereby
3 certify that the foregoing 107 pages comprise a true,
4 complete and correct transcription of the aforementioned
5 audio file to the best of my ability.
6 Given under my hand and seal of office on this
7 11th day of March, 2021.
8
9
10
11 
12
13 Gwendolynn R. Murphy
14 Texas CSR No. 6040
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20 Dallas, Texas 75201
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22
23
24
25

EXHIBIT 12

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:)
)
)
NATIONAL RIFLE) Case No.
ASSOCIATION OF AMERICA) 21-30085-hdh-11
AND SEA GIRT, LLC,)
)
Debtors.)

REMOTE ORAL AND VIDEOTAPED DEPOSITION OF
WAYNE LAPIERRE
VOLUME 1
IN HIS INDIVIDUAL CAPACITY AND
AS CORPORATE REPRESENTATIVE OF
THE NATIONAL RIFLE ASSOCIATION OF AMERICA
MARCH 22, 2021

CONFIDENTIAL PURSUANT TO PROPOSED PROTECTIVE ORDER

| | |
|--|--|
| <p>1 REMOTE ORAL AND VIDEOTAPED DEPOSITION OF WAYNE</p> <p>2 LAPIERRE, produced as a witness at the instance of the</p> <p>3 New York State Office of the Attorney General, and</p> <p>4 duly sworn, was taken remotely in the above-styled</p> <p>5 and numbered cause on the 22nd day of March, 2021, from</p> <p>6 9:24 a m to 6:04 p m , via Zoom, before Julie C</p> <p>7 Brandt, RMR, CRR, and CSR in and for the State of Texas,</p> <p>8 reported by machine shorthand, with the witness located</p> <p>9 in Fairfax, Virginia, pursuant to the Federal Rules of</p> <p>10 Civil Procedure and the provisions stated on the record</p> <p>11 or attached hereto</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> | <p>1 FOR THE WITNESS INDIVIDUALLY:</p> <p>2 P Kent Correll</p> <p>3 CORRELL LAW GROUP</p> <p>4 250 Park Avenue, 7th Floor</p> <p>5 New York, New York 10177</p> <p>6 212 475 3070</p> <p>7 kent@correllawgroup.com</p> <p>8</p> <p>9 FOR THE PEOPLE OF THE STATE OF NEW YORK:</p> <p>10 James Sheehan (Remote appearance)</p> <p>11 Stephen Thompson (Remote appearance)</p> <p>12 Yael Fuchs (Remote appearance)</p> <p>13 Sharon Sash (Remote appearance)</p> <p>14 Lucas McNamara</p> <p>15 Emily Stern</p> <p>16 Monica Connell</p> <p>17 OFFICE OF THE ATTORNEY GENERAL OF THE</p> <p>18 STATE OF NEW YORK</p> <p>19 28 Liberty Street, 18th Floor</p> <p>20 New York, New York 10005</p> <p>21 212 416 8401</p> <p>22 james.sheehan@ag.ny.gov</p> <p>23 stephen.thompson@ag.ny.gov</p> <p>24</p> <p>25 Jonathan Conley (Remote appearance)</p> <p>NEW YORK STATE OFFICE OF THE ATTORNEY GENERAL</p> <p>The Capitol</p> <p>Albany, New York 12224</p> <p>212 416 8108</p> <p>jonathan.conley@ag.ny.gov</p> <p>FOR THE OFFICE OF THE U S TRUSTEE:</p> <p>Lisa L. Lambert (Remote appearance)</p> <p>Marc F. Salitore (Remote appearance)</p> <p>UNITED STATES TRUSTEE PROGRAM</p> <p>1100 Commerce Street, Room 976</p> <p>Dallas, Texas 75242</p> <p>214 767 8967</p> <p>elizabeth.a.young@usdoj.gov</p> <p>marc.f.salitore@usdoj.gov</p> <p>Juliet M. Sarkessian (Remote appearance)</p> <p>UNITED STATES TRUSTEE PROGRAM</p> <p>844 King Street</p> |
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Page 2

Page 4

Page 3

Page 5

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|--|--|--------|--------|
| 1 FOR CHRISTOPHER COX: 2 Thomas M. Buchanan (Remote appearance) Matthew M. Saxon (Remote appearance) 3 WINSTON & STRAWN LLP 1901 L. Street NW 4 Washington, D.C. 20036 202.282.5787 5 tbuchanan@winston.com 6 7 ALSO PRESENT: 8 Jack Butler (Remote appearance) 9 Jeremy Economos (Remote appearance) 10 Loring Hill (Remote appearance) 11 Anthony Makris (Remote appearance) 12 Dave Hamrick (Remote appearance) 13 David MacGreevey (Remote appearance) 14 David Dell'Aquila (Remote appearance) 15 16 VIDEOGRAPHER: Dan Reidy - Veritext Legal Solutions 17 18 19 20 21 22 23 24 25 | 1 PROCEEDINGS 2 THE VIDEOGRAPHER: Good morning. We are 3 going on the record at 9:24 a.m. on Monday, March 22, 4 2021. 5 Please note that audio and video recording 6 will continue to take place until all parties agree to 7 go off the record. 8 This is media unit 1 of the video recorded 9 deposition of Wayne LaPierre, taken by counsel for the 10 Movant In the Matter -- or In Regards to the National 11 Rifle Association of America and Sea Girt, LLC. 12 This case is filed in the United States 13 Bankruptcy Court for the Northern District -- 14 MR. SHEEHAN: All right. Could I ask the 15 court reporter to swear the witness? 16 MR. GARMAN: He's not quite done. 17 MR. SHEEHAN: I'm sorry. 18 MR. GARMAN: The court reporter is not 19 quite done. 20 MR. SHEEHAN: I'm sorry. Okay. 21 MR. GARMAN: It's the Northern District 22 of Texas. 23 THE VIDEOGRAPHER: -- Northern District 24 of Texas, Caption Case No. 21-30085-hdh-11. 25 This deposition is being held at the National | Page 6 | Page 8 |
| 1 INDEX 2 PAGE 3 Appearances..... 3 4 Proceedings..... 8 5 WAYNE LAPIERRE - VOLUME 1 6 Examination by Mr. Sheehan..... 9 7 Signature and Changes..... 242 8 Reporter's Certificate..... 244 9 10 DEPOSITION EXHIBITS IDENTIFIED 11 Exhibit 1 Form 990 for 2019..... 46 12 Exhibit 2 Form 4720 for 2018..... 143 13 Exhibit 3 Excel file, NRA-BK-00039547.xlsx 152 14 Exhibit 4 April 22, 2019 letter to Wayen LaPierre from William Winkler with attachments NYAG-00120792 - 120796..... 188 15 16 Exhibit 5 May 6, 2019 letter to Craig Spray from William Winkler with attachments NYAG-00120797 - 120799..... 188 17 Exhibit 6 Entertainment Report and bill from Mosquito Authority NRA-NYAG-00040681 - 40683..... 193 18 19 20 21 22 23 24 25 | 1 Rifle Association, located at 11250 Waples Mill Road, 2 Fairfax, Virginia 22030. 3 I am Dan Reidy from Veritext Legal Solutions, 4 and I am the videographer. The court reporter is Julie 5 Brandt from the firm Veritext Legal Solutions. 6 MR. GARMAN: Ms. Court reporter, I 7 believe we're ready to swear in the witness. 8 WAYNE LAPIERRE, 9 having been first duly sworn and having confirmed that 10 he is Wayne LaPierre, testified remotely as follows: 11 EXAMINATION 12 BY MR. SHEEHAN: 13 Q. Good morning, Mr. LaPierre. We're here to 14 take -- 15 A. Good morning. 16 Q. I'm sorry? 17 A. I said "good morning." 18 Q. Oh, good. 19 We here today to take your deposition in a 20 contested bankruptcy proceeding brought by the National 21 Rifle Association. I'm Jim Sheehan. You may recall me 22 from our encounter about nine months ago. I'm an 23 assistant attorney general with the New York State 24 Attorney General's Office, and I represent the Attorney 25 General's Office in this proceeding. | Page 7 | Page 9 |

1 I know that you have had your deposition taken
2 before. Have you had your deposition taken since the
3 last time we met in June of 2020?
4 A. I took a deposition with the Under Wild Skies
5 Dycio law firm.
6 Q. And who took that deposition?
7 A. I think it was Mr. Biggs who is an attorney
8 with Dycio firm.
9 Q. Okay. When was that?
10 A. I think about two months ago.
11 Q. Okay. And in addition to that deposition two
12 months ago, have you had your deposition taken between
13 June of 2020 and the present?
14 A. I don't believe so.
15 Q. Okay.
16 MR. GARMAN: Counsel, it's Greg Garman.
17 Just to identify again, he did sit under oath at the 341
18 meeting at your office.
19 MR. SHEEHAN: Correct.
20 MR. GARMAN: I want to be clear about
21 that.
22 Q. (BY MR. SHEEHAN) Okay. Are you represented
23 today by counsel?
24 A. I am. Mr. Kent Correll from the Correll Law
25 Group.

Page 10

1 Q. Okay. There is also counsel for the debtor.
2 Is that correct?
3 A. Yes, sir. It's Greg Garman from Garman Turner
4 Gordon. In the room with me today are Teresa Pilatowicz
5 and Talitha Gray Kozlowski who are my colleagues.
6 Q. And as you know in a deposition, I'll be
7 asking some questions. The court reporter will take
8 down your testimony and make a complete transcript.
9 Because she's trying to take everything down, and
10 especially since you're wearing a mask, it will help if
11 you try to answer each question out loud with a verbal
12 response. Do you understand that instruction?
13 A. I will do that.
14 Q. When you were at CPAC, did you wear a mask
15 this year?
16 A. I went straight from the car -- I had a mask
17 on. I took the mask off when I went up on stage. I put
18 the mask on the minute I came off stage.
19 Q. So how long were you on stage with the mask
20 off?
21 A. Maybe 16 minutes, 15 minutes.
22 Q. All right. In addition, we're going to have
23 to speak one at a time, and this is especially true
24 since this is a remote deposition. So you may think you
25 know the answers to my questions before you finish, but

Page 11

1 I would ask you to hold until I'm done and I will do my
2 best to do the same. And if you don't understand a
3 question that I ask, I'll ask you to ask me to rephrase
4 it or repeat it. Do you understand that instruction?
5 A. (Witness nods head.)
6 Q. You're nodding your head yes.
7 A. I do understand.
8 Q. Okay.
9 A. Yes, I do.
10 Q. If you need a break at any time, please let us
11 know. I may want to finish a certain question, but
12 after that you're allowed to take a break as you ask for
13 it.
14 A. Okay.
15 Q. Okay. You're Wayne Robert LaPierre. Is that
16 correct?
17 A. That's correct.
18 Q. And what other names have you ever used?
19 A. Well, I use Wayne LaPierre.

Page 12

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]

[illegible]

1 you prefer, Mr. Sheehan, I can do it every time.
2 MR. SHEEHAN: Of course I prefer that you
3 join all the objections the NRA makes. And let the NRA
4 make the objections. How's that?
5 MR. CORRELL: Well, I might make
6 additional objections that the NRA is not making, so I
7 reserve that right.
8 Do we have a deal on that, sir?
9 MR. SHEEHAN: We have a deal on you'll
10 join, and it's unclear to me what your standing is to
11 object. You know what? Let's -- let's go off the
12 record for a second.
13 THE VIDEOGRAPHER: We're going off the
14 record. The time on the video is 9:35 a.m.
15 (Discussion off the record.)
16 THE VIDEOGRAPHER: We are now on the
17 record. The time is 9:35 a.m.
18 MR. SHEEHAN: Okay. So we will -- it's
19 my understanding from the discussion previously that
20 Mr. LaPierre's counsel will join in all the objections
21 that are asserted by the NRA. He may have additional
22 objections on his own, which I request be done as an
23 objection and not as a speaking objection, but we are in
24 agreement on that process.
25 MR. CORRELL: Thank you, Mr. Sheehan.

Page 16

10 Q. When you fly, right, do you ever fly
11 commercial?
12 A. No. NRA security has a policy against me
13 flying commercial because of threats, numerous threats
14 that they have documented over and over and over again.
15 Q. And where --
16 A. I take the advice of the NRA security people.
17 Q. Where would I find that documentation of the
18 threats?
19 MR. GARMAN: Object to the form.
20 Go ahead and answer.
21 MR. CORRELL: Join.
22 (Reporter clarification.)
23 MR. CORRELL: Sure. This is Kent Correll
24 for Mr. LaPierre. I'm proposing that we agree that I
25 join all objections that the NRA counsel makes or, if

1 MR. SHEEHAN: Okay.

Page 17

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| <p>1 Q. (BY MR. SHEEHAN) Under the accounting system 2 at the NRA, do you have to write down the purpose of the 3 trip and the place that you visited with respect to 4 hotel bills?</p> <p>5 A. I do.</p> <p>6 Q. Do you do that --</p> <p>7 A. And --</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 Q. All right. And are security expenses put 17 through Portia Padilla?</p> <p>18 A. The security expenses are put through the 19 treasurer's office.</p> <p>20 Q. And is that still true today?</p> <p>21 A. That is true today.</p> <p>22 Q. Do you remember -- (audio unclear.)</p> <p>23 MR. GARMAN: I'm sorry. I'm sorry. This 24 is Greg Garman. Your microphone might be on the table, 25 because when you go through documents, it creates an</p> <p style="text-align: right;">Page 18</p> | <p>1 I knew how we built it. And I also knew everything we had 2 been doing since 2017 to self-correct this organization 3 and bring it in -- ensure it was in complete compliance 4 with New York state not-for-profit law, and there wasn't 5 anything that I was aware of that we had done that could 6 have been a problem.</p> <p>7 Q. There was nothing -- there was nothing you 8 were aware of that could be a problem. Is that what you 9 just said?</p> <p>10 MR. GARMAN: Objection as to form.</p> <p>11 A. I -- everything we intended to do was to -- 12 was to self-correct this place, take a 360-degree look 13 at it as Attorney General Schneiderman recommended to us 14 when he called me in 20 -- he called Tom King on our 15 board in 2017, and -- and the Attorney General of New 16 York, Eric Schneiderman, said that a plan had been 17 adopted by some of the anti people that didn't like the 18 NRA, the Bloomberg people, to improperly use the 19 government of New York state to target the NRA. 20 Although he didn't agree with some of the issues, he did 21 not think it was a proper use of government, and he 22 thought that New York state law -- a lot of changes had 23 been made in terms of nonprofit laws. He actually said 24 he probably thought no one was in real compliance, but 25 that doesn't matter, they intend to use the government</p> <p style="text-align: right;">Page 20</p> |
| <p>1 awful racket.</p> <p>2 MR. SHEEHAN: Got it. Thank you.</p> <p>3 Appreciate that.</p> <p>4 Q. (BY MR. SHEEHAN) Are you familiar with a 5 gentleman named Powell, Joshua Powell?</p> <p>6 A. Yes, I am.</p> <p>7 Q. And he was your hunting buddy and then he was 8 your chief of staff?</p> <p>9 MR. GARMAN: Objection as to form.</p> <p>10 A. I wouldn't call him my hunting buddy. I went 11 hunting with him, I think, once on a taping of Under 12 Wild Skies. He was chief of staff.</p> <p>13 Q. (BY MR. SHEEHAN) Did you read his book?</p> <p>14 A. I did not read his book.</p> <p>15 Q. Why not?</p> <p>16 A. Because I know the truth, and I did not think 17 that what was in that book was true, and I thought why 18 bother reading it.</p> <p>19 Q. How would you know it wasn't true if you 20 didn't read it?</p> <p>21 A. Because I believe that by that time he was 22 creating a bunch of nonsense, and I -- it wasn't worth 23 my time to read. I knew the truth. I knew the facts. 24 I knew what we had done in this place. I knew the good 25 we had done in this place. I knew what we built. I</p> <p style="text-align: right;">Page 19</p> | <p>1 to target you guys, and I recommend you take a complete 2 look at everything. If something is being done 3 improper, self-correct it. New York state has a safe 4 harbor provision. Make a good effort to look at every 5 employee, everything, every vendor and self-correct. 6 And that's the proper thing to do, given the pressure 7 being put on the government of New York state to -- 8 to -- to target the NRA improperly.</p> <p>9 Q. (BY MR. SHEEHAN) And was that a conversation 10 you had with Mr. Schneiderman?</p> <p>11 A. No, Tom King on our board of directors had it 12 with Mr. Schneiderman. Steve Shulman, our former 13 general counsel to the board, had -- was a friend of 14 Attorney General Schneiderman. He had formed a 15 relationship between Tom King and -- who was in New York 16 and the Attorney General. As I said, they didn't agree 17 on the issue, but they became friends, and the Attorney 18 General Schneiderman was very offended by what he 19 thought was an improper use of government authority to 20 essentially weaponize the government of New York state 21 against this great nonprofit organization, the NRA, 22 that's been in existence since 150 years and does 23 firearm training, safety education, 14,000 law 24 enforcement instructors, 130,000 instructors on safety 25 and training --</p> <p style="text-align: right;">Page 21</p> |

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| <p>1 Q. Mr. LaPierre, I am going to break my own rule 2 here. I asked you whether you talked to 3 Mr. Schneiderman. Did you talk to Mr. Schneiderman? 4 A. No, I did not. Tom King relayed the 5 conversation to me. 6 Q. Okay. And did he relay it in writing or 7 orally? 8 A. He called me on the phone and relayed to me. 9 Q. Did you record in any way what he told you? 10 Did you write it down? 11 A. I did not. I listened very carefully to what 12 he said. 13 Q. So -- and how many years ago was this? 14 A. It was in 2017. I think in the summer of 15 2017. 16 Q. So almost four years ago you remember that 17 level of detail of the conversation? 18 A. I sure do. 19 MR. GARMAN: Objection as to form. 20 Q. (BY MR. SHEEHAN) Did Mr. King send you any 21 follow-up memo summarizing the conversation, alleged 22 conversation with Mr. Schneiderman? 23 A. He did not. He talked to me on the phone 24 and -- on the phone. 25 Q. Did he convey to the board the message with Page 22</p> | <p>1 the board saying this is the information we've received 2 from Tom King in this conversation with Schneiderman? 3 A. I talked about it with board members. 4 Q. What board members? 5 A. I can't remember. It was a long time ago, but 6 it was a -- it was a major issue. 7 Q. My question was what board members? 8 A. Yeah, and my answer is I don't remember. 9 Q. Okay. 10 A. I believe -- I believe -- 11 Q. You believe? 12 A. That's my answer, I don't remember. 13 Q. Okay. With respect to Mr. Powell, is it true 14 that, as stated in his book at page 224, that President 15 Trump told you on April 2019 that you're spinning 16 yourself to death? 17 MR. GARMAN: Objection as to form. 18 A. President Trump was -- mentioned that we're 19 having a lot of legal costs and there are a lot of cheap 20 lawyers around. 21 Q. (BY MR. SHEEHAN) That's what President Trump 22 said to you? 23 A. Pretty much. 24 Q. With respect to Mr. Powell, did you know that 25 Bill Brewer discussed a job at his law firm with Josh Page 24</p> |
| <p>1 Mr. Schneiderman that he allegedly had? 2 MR. GARMAN: Objection as to form. 3 A. I don't know whether Tom King conveyed it at 4 some point because we began to act on it. I'm sure we 5 informed the board of the conversation because what I 6 did is I -- I called one of our attorneys, our outside 7 attorneys, and he -- 8 MR. GARMAN: Objection, just to caution 9 the witness not to divulge the substance of any 10 communications between Mr. LaPierre or -- either 11 individually or on behalf of the NRA and any attorney 12 that he was speaking to for the purpose of -- 13 Q. (BY MR. SHEEHAN) Let's do this here because, 14 again, you're not answering my question, Mr. LaPierre. 15 What I asked you was did Tom King communicate 16 to the board his conversation with Mr. Schneiderman? 17 MR. GARMAN: Objection as to form. 18 Answer his question. 19 A. I believe I recall he did at some point. 20 Q. (BY MR. SHEEHAN) Was the conversation in the 21 minutes of the board meetings or any committee of the 22 board? 23 A. I don't -- I can't remember whether it was in 24 executive session or in the minutes. 25 Q. Did you send anything in writing to members of Page 23</p> | <p>1 Powell? 2 MR. GARMAN: Objection as to form. 3 A. I did not know that. 4 Q. (BY MR. SHEEHAN) All right. In page 220 of 5 his book, Mr. Powell quotes you saying about John 6 Frazer, I wouldn't use him for my parking tickets. 7 Did you say that? 8 MR. GARMAN: Objection as to form. 9 A. I think I made a joke at one point about John 10 a long time ago because John tended to argue or be -- 11 follow up with -- and I think I said it as a -- as a 12 joke at one point. 13 Q. (BY MR. SHEEHAN) Did you -- 14 A. I don't -- I believe John is a very competent 15 attorney, and I have been incredibly impressed with the 16 work that he's done ever since we put him into the 17 general counsel's office. 18 Q. Was Mr. Frazer the general counsel of the NRA 19 at the time you said you wouldn't use him for your 20 parking tickets? 21 A. I can't -- I can't remember that. I don't 22 know. 23 Q. Was -- did you say this to Mr. Frazer's face? 24 MR. GARMAN: Objection as to form. 25 A. No, I didn't. No, I didn't. Page 25</p> |

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| <p>1 Q. (BY MR. SHEEHAN) Who did you say it to?</p> <p>2 A. I respect John. He's a very good attorney,</p> <p>3 and I think he is -- he is doing an exceptional job in</p> <p>4 that role.</p> <p>5 Q. Who did you say this to?</p> <p>6 MR. GARMAN: Objection as to form.</p> <p>7 Q. (BY MR. SHEEHAN) "This" being I wouldn't use</p> <p>8 him for my parking tickets.</p> <p>9 MR. GARMAN: Objection as to form.</p> <p>10 A. I -- I may have said it as a joke at some</p> <p>11 point to Josh possibly.</p> <p>12 Q. (BY MR. SHEEHAN) Okay. Have you ever flown</p> <p>13 on Bill Brewer's private jet?</p> <p>14 A. I have not.</p> <p>15 Q. All right. Do you know if Bill Brewer bills</p> <p>16 the use of his private jet to the NRA?</p> <p>17 MR. GARMAN: Objection to form.</p> <p>18 A. I -- I don't know the answer to that. I would</p> <p>19 be speculating.</p> <p>20 Q. (BY MR. SHEEHAN) Who would be responsible for</p> <p>21 knowing whether Mr. Brewer is billing his private jet</p> <p>22 travel to the NRA at the NRA?</p> <p>23 A. The treasurer's office.</p> <p>24 Q. A person?</p> <p>25 A. And also John Frazer would know that because</p> <p style="text-align: right;">Page 26</p> | <p>1 2019?</p> <p>2 A. I don't --</p> <p>3 MR. GARMAN: Hold up.</p> <p>4 Objection, Counsel. He's indicated he hasn't</p> <p>5 read the book.</p> <p>6 MR. SHEEHAN: I know.</p> <p>7 Q. (BY MR. SHEEHAN) But I'm asking you did you</p> <p>8 say that to Josh Powell?</p> <p>9 MR. GARMAN: Objection as to form.</p> <p>10 A. I do not think I said that to Josh Powell.</p> <p>11 Q. (BY MR. SHEEHAN) At page 45 Josh Powell says</p> <p>12 about you, he would meet with people, "yes" them to</p> <p>13 death and then he would disappear, what he called the</p> <p>14 rope-a-dope.</p> <p>15 Have you ever used the phrase "rope-a-dope" in</p> <p>16 your work at the NRA?</p> <p>17 MR. GARMAN: Objection as to form.</p> <p>18 A. Yes, I have used the phrase "rope-a-dope." I</p> <p>19 think a lot of people use the word "rope-a-dope" in</p> <p>20 terms of based on Muhammad Ali's fight with George</p> <p>21 Foreman.</p> <p>22 I don't -- what was your question again? I'm</p> <p>23 sorry, Mr. Sheehan.</p> <p>24 Q. (BY MR. SHEEHAN) It was a simple yes/no</p> <p>25 question. Have you used the phrase "rope-a-dope" in</p> <p style="text-align: right;">Page 28</p> |
| <p>1 John Frazer -- what happens to any of the Brewer legal</p> <p>2 bills is they come in, they are vetted by -- as the</p> <p>3 appropriate NRA process, they are vetted by the general</p> <p>4 counsel's office --</p> <p>5 Q. Mr. LaPierre, my question was who knows?</p> <p>6 MR. GARMAN: Sir, he's telling you who</p> <p>7 knows through the process.</p> <p>8 MR. CORRELL: Mr. Sheehan, I have to</p> <p>9 insist that you allow the witness to finish his answer.</p> <p>10 MR. SHEEHAN: He is filibustering and not</p> <p>11 answering the question.</p> <p>12 A. The answer to the question is that John Frazer</p> <p>13 vets all the Brewer bills. He sees them all. He asks</p> <p>14 any questions about them. And then they go to the</p> <p>15 treasurer's office, and they -- they vet them also, and</p> <p>16 then they pay them.</p> <p>17 Q. (BY MR. SHEEHAN) Okay.</p> <p>18 A. And that is the NRA process under the auspices</p> <p>19 that's in place.</p> <p>20 Q. At page 259 of Mr. Powell's book, he says with</p> <p>21 respect to the expense report issues in the fall of 2009</p> <p>22 for Josh Paul, quote, This is all Craig, he's just out</p> <p>23 to get you, unquote.</p> <p>24 Is that an accurate summary of what you said</p> <p>25 to Josh Powell about the expense issues in the fall of</p> <p style="text-align: right;">Page 27</p> | <p>1 your work at the NRA?</p> <p>2 A. I may have used the phrase "rope-a-dope" in</p> <p>3 terms of something we were dealing with at the NRA.</p> <p>4 Q. Have you ever used the phrase "gasoline on the</p> <p>5 fire" about your fundraising efforts at the NRA to Josh</p> <p>6 Powell?</p> <p>7 MR. GARMAN: Objection as to the form of</p> <p>8 the question.</p> <p>9 A. I don't believe I've used that to Josh Powell,</p> <p>10 I've ever said that to Josh Powell.</p> <p>11 Q. (BY MR. SHEEHAN) Have you used the phrase</p> <p>12 "gasoline on the fire" to refer to fundraising efforts</p> <p>13 at the NRA?</p> <p>14 MR. GARMAN: Objection as to form.</p> <p>15 A. I did not use that phrase in relation to</p> <p>16 fundraising efforts at the NRA.</p> <p>17 Q. (BY MR. SHEEHAN) Did you use that phrase with</p> <p>18 respect to any other work at the NRA?</p> <p>19 A. I remember one time, probably in the -- in the</p> <p>20 1980s maybe, going back that far, where I was talking</p> <p>21 with Angus McQueen about the fact that we needed to --</p> <p>22 to, I think, build more pressure on -- to get people to</p> <p>23 sign a discharge petition that we were working on.</p> <p>24 Either that or the highlight the crime issue, the fact</p> <p>25 of the criminal was the real problem, and I used that</p> <p style="text-align: right;">Page 29</p> |

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| <p>1 phrase that we need to be stronger. It was totally</p> <p>2 taken out of context by Ackerman McQueen in one of the</p> <p>3 documents that I've read and -- in terms of when it was</p> <p>4 used, how it was used, and all their reference to it is</p> <p>5 completely out of context and untrue.</p> <p>6 Q. Okay. What, if anything, did you do to</p> <p>7 prepare for this deposition today?</p> <p>8 A. I met with my attorney Kent Correll for three</p> <p>9 hours on Saturday. Yesterday, I met with my attorney</p> <p>10 Kent Correll and also Mr. Garman. We got on the phone</p> <p>11 for a little while with Bill Brewer. And then it went</p> <p>12 back into a meeting with Kent Correll and with</p> <p>13 Mr. Garman.</p> <p>14 Q. Did you review any documents in preparation</p> <p>15 for today's testimony?</p> <p>16 A. I did not.</p> <p>17 MR. GARMAN: Counsel, before we move on,</p> <p>18 this is his individual deposition, correct?</p> <p>19 MR. SHEEHAN: I'm sorry. This is the</p> <p>20 individual deposition, yes.</p> <p>21 MR. GARMAN: I just wanted to make sure</p> <p>22 we -- the prep might be different for the two, so I want</p> <p>23 to make sure our record is clear.</p> <p>24 Q. (BY MR. SHEEHAN) Okay. So Mr. LaPierre, just</p> <p>25 to follow up on that issue that was just raised in the</p> <p style="text-align: right;">Page 30</p> | <p>1 MR. GARMAN: Objection to the form of the</p> <p>2 question.</p> <p>3 A. I have not heard her ever say that.</p> <p>4 In fact, I'm very proud of my management</p> <p>5 style. I -- it's very open. I let everyone have a say.</p> <p>6 I -- I make sure that everyone's heard. I search for</p> <p>7 the best ideas for the NRA, what would be in the best</p> <p>8 interest of the NRA after giving everyone a chance to</p> <p>9 speak their mind. I value teamwork and I value input,</p> <p>10 and if you give everyone that chance, I think you end up</p> <p>11 with the -- making the best decision in the interest of</p> <p>12 the organization.</p> <p>13 Q. (BY MR. SHEEHAN) And do you also impose high</p> <p>14 ethical standards on the people who work for you at the</p> <p>15 NRA?</p> <p>16 MR. GARMAN: Objection to the form of the</p> <p>17 question.</p> <p>18 Go ahead and answer.</p> <p>19 A. Yes. Yes, I do. Everything I do, I try to do</p> <p>20 in the best interest of the NRA and always have. I've</p> <p>21 worked my tail off for this organization to build it</p> <p>22 into a 5 million member organization, and I'm very proud</p> <p>23 of what we've done. I've very proud of the work of the</p> <p>24 NRA, as one of the oldest civil rights organizations,</p> <p>25 and everything it does, from legislative advocacy to all</p> <p style="text-align: right;">Page 32</p> |
| <p>1 discussion, the preparation that you did both Saturday</p> <p>2 and Sunday, was that for your 30(b)(6) deposition or for</p> <p>3 this deposition, that meaning the individual deposition?</p> <p>4 MR. GARMAN: Counsel, let me insert</p> <p>5 myself just to be clear. I don't want to make a mess of</p> <p>6 this.</p> <p>7 MR. SHEEHAN: Okay.</p> <p>8 MR. GARMAN: We have done the 30(b)(6),</p> <p>9 but there is additional information that the witness</p> <p>10 needs to be educated, and so we plan to do that</p> <p>11 before -- we plan to continue that before we commence</p> <p>12 the 30(b)(6), and so his testimony is the totality of</p> <p>13 the preparation we've done. We covered a portion of the</p> <p>14 30(b)(6), but we will likely be talking to other folks</p> <p>15 at the NRA to complete his 30(b)(6) preparation.</p> <p>16 MR. SHEEHAN: Okay. All right.</p> <p>17 Q. (BY MR. SHEEHAN) Did you discuss your</p> <p>18 testimony today with anyone else besides your -- besides</p> <p>19 the two attorneys that you've mentioned and Mr. Brewer</p> <p>20 prior to the deposition?</p> <p>21 A. I did not.</p> <p>22 Q. All right. Mr. Powell quotes your spouse</p> <p>23 saying your management style was, quote, no management</p> <p>24 style at all, unquote.</p> <p>25 Have you heard her say that?</p> <p style="text-align: right;">Page 31</p> | <p>1 its programs.</p> <p>2 Q. (BY MR. SHEEHAN) Mr. LaPierre, are you an</p> <p>3 actor?</p> <p>4 A. I am not --</p> <p>5 MR. GARMAN: Objection to the form of the</p> <p>6 question.</p> <p>7 A. I am not an actor for -- I was probably the</p> <p>8 first person to do television for the NRA. For the</p> <p>9 better part of 35, 40 years, I have been the principal</p> <p>10 brand spokesperson for the NRA, carrying the voice of</p> <p>11 our NRA members throughout the country on television,</p> <p>12 hundreds of television appearances, video appearances,</p> <p>13 radio, grassroots appearances around the country,</p> <p>14 speaking engagements, and -- and I've also done some</p> <p>15 television shows for the NRA, debates for the NRA, in my</p> <p>16 role as -- in my role as representing our members, who</p> <p>17 are the key to making everything in this organization</p> <p>18 work.</p> <p>19 Q. (BY MR. SHEEHAN) Mr. LaPierre, I asked you a</p> <p>20 very simple question. Are you an actor? Yes or no?</p> <p>21 A. I am not an actor.</p> <p>22 Q. Okay. Thank you.</p> <p>23 Let us go at this point to Exhibit 1.</p> <p>24 MR. SHEEHAN: Jonathan, could you get us</p> <p>25 Exhibit 1?</p> <p style="text-align: right;">Page 33</p> |

1 MR. GARMAN: Counsel, I actually am
2 slightly embarrassed to regret that I haven't logged
3 into the Veritext system yet. I can do it now, or we
4 can go off the record for --
5 MR. SHEEHAN: Let's go off the record,
6 and we'll come back when you're ready.
7 MR. GARMAN: Sorry about that.
8 MR. SHEEHAN: No problem.
9 THE VIDEOGRAPHER: We're going off the
10 record. The time on the video is 9:59 a.m.
11 (Break from 9:59 a.m. to 10:07 a.m.)
12 THE VIDEOGRAPHER: We're back on the
13 record. The time on the video is 10:07 a.m.
14 Q. (BY MR. SHEEHAN) Mr. LaPierre, the -- do you
15 know whether Tom King recorded the conversation with
16 Attorney General Schneiderman?
17 A. I do not.
18 Q. All right. On page 51 of Josh Powell's book
19 he says, Behind Wayne LaPierre's office was a smaller
20 room filled with 6-foot high stacks of yellow legal
21 pads.
22 This is when he first started at the NRA.
23 When he first started at the NRA, was that true, that
24 you had a 6-foot high stack of yellow legal pads?
25 MR. GARMAN: Objection as to the form of
Page 34

1 the question.
2 A. There was a bunch of old NRA trash back in
3 there that we cleaned out years ago. It was in the NRA
4 trash where nobody knew where to put the old boxes. We
5 threw them out years ago.
6 Q. (BY MR. SHEEHAN) Is it true that you use
7 yellow pads to record your notes of conversations today?
8 A. I -- I do sometimes.
9 Q. All right. And did your counsel review those
10 yellow pads in -- "your counsel" meaning either personal
11 or NRA -- in preparing responses to document requests by
12 the attorney general's office in this proceeding?
13 MR. GARMAN: Objection to the form of the
14 question.
15 Go ahead and answer.
16 A. All of my legal pads were turned over to
17 the -- to the NRA's legal counsel, and I believe they
18 were given to the State of New York.
19 Q. (BY MR. SHEEHAN) That is in connection with
20 this bankruptcy proceeding?
21 A. I don't really have legal pads in relation to
22 the bankruptcy proceeding.
23 Q. Was there a point at which you stopped making
24 notes on yellow legal pads after the subpoena from the
25 attorney general's office in 2019?
Page 35

1 A. I did not make as many notes because -- notes
2 because -- unless they were privileged communications
3 with attorneys, by and large.
4 Q. Okay. So if -- you turned over all the yellow
5 legal pads in connection with this proceeding that you
6 had in your possession. Is that correct?
7 MR. GARMAN: Objection to the form of the
8 question.
9 A. That's correct.
10 Q. (BY MR. SHEEHAN) And so the -- well, okay.
11 Is it true that you didn't keep a filing draw
12 of draft memos when you first met with Wayne -- with
13 Josh Powell when he started the job?
14 MR. GARMAN: Objection to the form of the
15 question. I didn't understand that one. Can you do it
16 again?
17 Q. (BY MR. SHEEHAN) Did you -- in 2016 when Josh
18 Powell became your chief of staff, did you ever draft
19 memos yourself?
20 A. I don't think I did draft -- draft memos.
21 Q. Did you keep a file drawer or a file for
22 conversations with specific individuals showing what
23 your conversations had been?
24 MR. GARMAN: Objection to the form of the
25 question.
Page 36

1 Q. (BY MR. SHEEHAN) As of 2016 when he first
2 started.
3 A. I didn't keep a file drawer of people with
4 specific conversations.
5 Q. Did you use a computer in 2016?
6 A. I did not.
7 Q. Do you use a computer now?
8 A. I do not.
9 Q. Did you use a computer at any time between
10 2016 and the present?
11 A. I have not.
12 MR. GARMAN: Objection to the form of the
13 question.
14 Go ahead.
15 Q. (BY MR. SHEEHAN) Do you ever use text in your
16 position at the NRA?
17 A. I do not.
18 Q. Do you tweet in your position at the NRA?
19 A. No, I don't.
20 Q. Do you ever send emails in your position of
21 the executive vice president of the NRA?
22 A. I -- I don't.
23 Q. Did you --
24 A. Occasionally --
25 Q. I'm sorry.
Page 37

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| <p>1 A. Occasionally it's possible from time to time 2 that -- and I'm not sure of this -- that Andrew 3 Arulanandam, our public relations director, may have 4 sent out an email on something, but I didn't do it. 5 Q. To your knowledge, were emails sent out under 6 your name by Mr. Arulanandam? 7 A. It is -- it is possible, but I'm not sure. 8 Q. Is Mr. Arulanandam authorized to send out 9 emails with your name on them without your review? 10 A. No. If he sent something out, he would have 11 showed it to me. 12 Q. Okay. When people text you at the NRA -- let 13 me go back. 14 Do people text you at the NRA in the course of 15 your work? 16 MR. GARMAN: Objection to the form. 17 A. Sometimes people send texts, yes. 18 Q. (BY MR. SHEEHAN) And how do you read those 19 texts, if you do? 20 A. Most of the time, I don't read them, to tell 21 you the truth. I mean, I just -- I just -- I just 22 don't -- that's just not my method of communication. 23 Q. So most of the time -- let me see if I 24 understand. Most of the time when you get a text sent 25 to you, you don't read it. Is that correct?</p> <p style="text-align: right;">Page 38</p> | <p>1 three months? 2 A. No. They were just -- people were like, I 3 want to get you this number, and they said I'll text it 4 to you. And I realized it popped up on my phone, so I 5 started reading it. 6 Q. Okay. What kind of phone -- 7 A. I know it sounds like I'm from the Stone Age, 8 but maybe I'm a Stone Age guy when it comes to this type 9 of technology. 10 Q. But it also makes it possible, doesn't it, 11 Mr. LaPierre, for no one to know that they have a 12 written response from you to anything? 13 MR. GARMAN: Objection to form. 14 A. Well, that -- that never was the intent on any 15 of that. 16 Q. (BY MR. SHEEHAN) What electronic devices do 17 you get your texts on? 18 A. The only one would be my phone. 19 Q. And what's the phone number for that phone? 20 A. I don't -- 21 MR. GARMAN: Counsel, are we putting this 22 in a confidential portion of the transcript? 23 MR. SHEEHAN: I hadn't planned to. Is 24 that -- is that your request? 25 MR. GARMAN: It is.</p> <p style="text-align: right;">Page 40</p> |
| <p>1 A. That's correct. 2 Q. How do you decide which text to read? 3 A. I -- I don't. Within the last two or three or 4 four months, if a text pops up, I might happen to read 5 it, but that was only a recent thing I started to do. 6 Q. What was the reason that you -- 7 A. I don't answer -- and I don't answer back. 8 Q. Why don't you answer back? 9 MR. GARMAN: Objection to the form. 10 A. I just have never got used to doing that. I'm 11 old. I just don't do it. 12 Q. (BY MR. SHEEHAN) You were born in 1949. 13 Correct? 14 A. Correct. 15 Q. You said in the last two to three months, if I 16 understand correctly, that you started to read texts. 17 And where do you read them? 18 A. If -- if somebody had sent me a text on my 19 phone in the last, you know, month or two, like two or 20 three months, like a telephone number for a call, I -- I 21 would read that. 22 Q. And -- 23 A. I started to do that. 24 Q. Did something change about your electronic 25 devices that are available to you in the last two to</p> <p style="text-align: right;">Page 39</p> | <p>1 Q. (BY MR. SHEEHAN) Okay. So Mr. LaPierre -- 2 MR. SHEEHAN: And Ms. Brandt, I assume 3 that's doable, correct, it won't show up on the 4 transcript if we make that part confidential? 5 THE REPORTER: Yes, I can put it under a 6 separate cover. 7 MR. SHEEHAN: Okay. Thank you. 8 Q. (BY MR. SHEEHAN) Mr. LaPierre, what is the 9 phone number for that cell phone? 10 A. You know, believe it or not, I don't know it. 11 I can get it to you. I don't know it off the top of my 12 head. 13 Q. Okay. What kind of phone is it? 14 A. It's an iPhone. 15 Q. All right. Do you have an iPad? 16 A. I do not. 17 Q. The phone calls that you make out, are they on 18 a landline at the NRA or do you use your iPhone as well? 19 MR. GARMAN: Objection to form. 20 Go ahead. 21 A. I use both. I use a landline at the NRA and I 22 use my iPhone. 23 Q. (BY MR. SHEEHAN) Do you use any other phones 24 besides your iPhone and the landline to make calls out 25 in the course of your work at the NRA?</p> <p style="text-align: right;">Page 41</p> |

1 A. There is one other phone at the house that --
2 that I use from time to time.
3 Q. All right. I take it from your answer that
4 you mean infrequently you use that phone at the house?
5 A. Yes, infrequently I use that phone.
6 Q. Okay. Mr. Powell says at page 51 of his book,
7 There was a joke around the office that the only way to
8 make eye contact with Wayne was to lie down on the floor
9 while talking to him.
10 Have you ever heard that before?
11 MR. GARMAN: Objection to the form of the
12 question.
13 A. That is just ridiculous. I mean, I talk with
14 everyone at the NRA. I'm as open as you can be. I want
15 everyone's ideas. I'm the most accessible guy to our
16 members and to -- to people. I work as a team with
17 people, and that's just ridiculous.
18 Q. (BY MR. SHEEHAN) Okay. The security bills
19 that we talked about before -- I'm sorry, the security
20 threats that we talked about before, where would I go
21 within the NRA to find the record of those security
22 threats?
23 MR. GARMAN: Counsel, let me just
24 interject here, not to stop the answer, but I want to
25 catch myself. I think I may have messed up before.

Page 42

1 To the extent that we're talking about his
2 individual security protocols again, I would like to go
3 back and make those confidential to protect his
4 identity. So if we're going to head down that again,
5 I'd like to agree to that.
6 MR. SHEEHAN: Let me go off the record
7 for a second, because I'm not sufficiently comfortable
8 with what agreement we've reached on that issue and I
9 need some advice. So let's go off the record again.
10 THE VIDEOGRAPHER: We're off the record.
11 The time on the video is 10:19 a m.
12 (Break from 10:19 a m. to 10:20 a m.)
13 THE VIDEOGRAPHER: We're back on the
14 record. The time on the video is 10:20 a m.
15 Q. (BY MR. SHEEHAN) All right. Mr. LaPierre, do
16 you have Exhibit 1 in front of you?
17 MR. GARMAN: Yes, he does. Counsel, as
18 we discussed before, I'll represent the setup of the
19 room is one in which the screen is quite far away from
20 us. So Mr. LaPierre is looking at a second screen
21 connected to my laptop, and the only thing that's
22 available for him to see is your Exhibit 1.
23 MR. SHEEHAN: Ms. Brandt, could you read
24 back the previous question about the security threat
25 record? I don't think we got an answer.

Page 43

1 (Requested testimony read.)
2 MR. GARMAN: Objection as to form.
3 Go ahead and answer.
4 A. The NRA director of security.
5 Q. (BY MR. SHEEHAN) And who was that?
6 A. It is currently Mr. Jim Staples.
7 Q. And does he maintain a written record of the
8 threats?
9 MR. GARMAN: Objection to the form.
10 Go ahead.
11 A. You'd have to talk to Mr. Staples as to how he
12 does all of that.
13 Q. (BY MR. SHEEHAN) Does Mr. Staples prepare for
14 you any report of the threats that have been received
15 about you?
16 A. He doesn't prepare a report to me. He calls
17 me from time to time and tells me if there's some -- if
18 the threat level is extremely high and he thinks I need
19 to leave town because he can't protect me at our house
20 or if there are particular death threats they are
21 particularly worried about.
22 Q. And what, if any, record do you make of these
23 calls with Mr. Staples concerning security threats?
24 A. I don't make a record of them. I just listen
25 to what he says on the phone.

Page 44

1 [REDACTED]
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Page 45

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| <p>[REDACTED]</p> <p>7 Q. That was 2018. Correct?</p> <p>8 A. Correct.</p> <p>9 Q. Let's turn now to Exhibit 1.</p> <p>10 (Exhibit 1 marked.)</p> <p>11 Q. (BY MR. SHEEHAN) And are you familiar,</p> <p>12 Mr. LaPierre, with what has been marked as Exhibit 1?</p> <p>13 A. Is that the 990?</p> <p>14 Q. That's 990 and supporting schedules for 2019.</p> <p>15 Are you familiar with that document?</p> <p>16 A. I am familiar with it.</p> <p>17 Q. Okay. And you'll see on the first page, it</p> <p>18 says name and address of principal officer, Wayne R.</p> <p>19 LaPierre. Is that statement on the 990 correct as of</p> <p>20 2019?</p> <p>21 A. Yes, it is.</p> <p>22 Q. Were you also the principal officer of the NRA</p> <p>23 in 2017 and 2018?</p> <p>24 A. I was.</p> <p>25 Q. Okay. Do you know why the 2017 and 2018 990s</p> <p style="text-align: right;">Page 46</p> | <p>1 of the governing body and it has the number 73. That's</p> <p>2 in question 3. Is that answer correct?</p> <p>3 A. Number of voting members of the governing</p> <p>4 body. That would be, I assume, our board of directors.</p> <p>5 Am I correct?</p> <p>6 Q. I'm asking you because you signed it and</p> <p>7 certified it was true.</p> <p>8 At the time that this was filed on November 18</p> <p>9 of 2020, were there 73 members of the governing body?</p> <p>10 MR. GARMAN: I'm going to object as to</p> <p>11 form.</p> <p>12 But I am going to instruct you not to</p> <p>13 speculate. Testify as to your personal knowledge.</p> <p>14 A. Yeah, I -- when I scanned through this and</p> <p>15 read the parts that I particularly thought I needed to</p> <p>16 focus on, I didn't really focus on that line. This was</p> <p>17 prepared by our treasurer's people, our tax</p> <p>18 professionals, our outside tax professionals, and I</p> <p>19 relied on them.</p> <p>20 Q. (BY MR. SHEEHAN) So sitting here today, you</p> <p>21 don't know whether, in fact, there were 73 members of</p> <p>22 the board of directors -- 73 voting members of the</p> <p>23 governing body as of 11/18/2020. Correct?</p> <p>24 MR. GARMAN: Objection to the form of the</p> <p>25 question.</p> <p style="text-align: right;">Page 48</p> |
| <p>1 do not identify you as the principal officer?</p> <p>2 A. I don't.</p> <p>3 Q. Okay. All right. If you look at the first</p> <p>4 page of the 990, you'll see at the bottom signature of</p> <p>5 officer Wayne R. LaPierre Executive Vice President.</p> <p>6 A. Correct.</p> <p>7 Q. And -- and, in fact, you did sign this return</p> <p>8 electronically. Correct?</p> <p>9 MR. GARMAN: Objection to form.</p> <p>10 Go ahead.</p> <p>11 A. I signed the 990. I -- I don't know whether I</p> <p>12 signed it electronically or not. I know I signed the</p> <p>13 990.</p> <p>14 Q. (BY MR. SHEEHAN) So the document in front of</p> <p>15 you, which is taken from the New York State Attorney</p> <p>16 General's records of filings, is that an exact copy of</p> <p>17 what you signed?</p> <p>18 A. If that's the 990, I signed the 990.</p> <p>19 Q. And do you recall whether you signed it on the</p> <p>20 signature block on part II or whether you signed a</p> <p>21 separate document?</p> <p>22 A. I don't recall that, Mr. Sheehan. I just know</p> <p>23 I signed the 990.</p> <p>24 Q. Okay. If you look at that on part I, the</p> <p>25 summary, you will see it says number of voting members</p> <p style="text-align: right;">Page 47</p> | <p>1 A. I -- I don't. I don't know what they were</p> <p>2 referring to on that -- on that line.</p> <p>3 Q. (BY MR. SHEEHAN) Okay. And when you signed</p> <p>4 this document in November of 2020, you did not make any</p> <p>5 effort to determine whether that number of voting</p> <p>6 members was correct?</p> <p>7 MR. GARMAN: Objection to the form of the</p> <p>8 question.</p> <p>9 A. I just relied on the professional competence</p> <p>10 of our tax preparers, our treasurer's office, our</p> <p>11 outside tax professionals, and I relied on them for</p> <p>12 that.</p> <p>13 Q. (BY MR. SHEEHAN) All right. With respect to</p> <p>14 the professionals that you relied upon, who were they?</p> <p>15 A. It would be our treasurer's office. It would</p> <p>16 be our general counsel office. It would be our outside</p> <p>17 tax counsels to the -- to the NRA.</p> <p>18 Q. So let's walk through that.</p> <p>19 Treasurer's office, whose job was it within</p> <p>20 the treasurer's office to make sure that the 990 was</p> <p>21 accurate?</p> <p>22 A. That would be the treasurer Mr. Craig Spray</p> <p>23 and his staff in the treasurer's office.</p> <p>24 Q. Okay. With respect to the general counsel,</p> <p>25 whose job was it to make sure that the 990 was correct?</p> <p style="text-align: right;">Page 49</p> |

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| <p>1 A. That would be Mr. John Frazer and his staff. 2 Q. With respect to outside advisers, whose job 3 was it to make sure the 990 was correct? 4 A. They had a number -- I think a number of 5 outside tax experts that worked with them on this. I 6 think one was -- one was -- I'm not positive of this. I 7 think one was Don Lan. 8 Q. Anybody else? 9 A. Not that I know of. 10 Q. What was the role of the Aronson firm in 11 preparing the 2019 990 for the NRA? 12 A. I don't know. The Aronson was -- a new audit 13 firm that the NRA hired after RSM, and they did the 2019 14 audit, which was a very clean audit, and they also 15 checked all -- double checked all of our control systems 16 and everything else, and we were very proud of the fact 17 that we had a clean audit for 2019. 18 Q. Mr. LaPierre, what was the role of the Aronson 19 firm in preparing the 2019 990 for the NRA? 20 A. I don't know the answer to that. 21 Q. Did the Aronson firm have any role in 22 preparing the 990 for the NRA for 2019? 23 A. You would have to ask our treasurer's office 24 and tax expert who worked on this. 25 Q. Okay. Was there a paid preparer for the 2019</p> <p style="text-align: right;">Page 50</p> | <p>1 MR. GARMAN: Objection as to form. 2 A. I -- I looked through it. I scanned through 3 it. I read other parts in more detail than others, but 4 I -- I looked through the whole thing as I -- before I 5 signed it. 6 Q. (BY MR. SHEEHAN) And -- 7 A. But -- 8 Q. -- is it true that at the time you signed this 9 990, it was, to the best of your knowledge and belief, 10 true, correct and complete? 11 A. That's correct. 12 Q. And as of March 22, 2021, is it still your 13 belief that the 990 that was filed with the attorney 14 general's office in New York is true, correct and 15 complete? 16 A. I don't have any reason not to believe that. 17 Q. Does that mean you do believe it? 18 MR. GARMAN: Object to form. 19 A. Yeah, I believe it's true, accurate and 20 complete. 21 Q. (BY MR. SHEEHAN) Okay. Did the NRA ask the 22 Aronson firm to sign off as paid preparer for the 990? 23 A. I don't know the answer to that. 24 Q. All right. Prior to signing the 990 in 25 November 2020, did you talk to the Aronson firm about</p> <p style="text-align: right;">Page 52</p> |
| <p>1 990 for the NRA? 2 A. You'd have to ask the treasurer's office or 3 our general counsel or the -- you'd have to ask our 4 treasurer's office. 5 Q. The signature block says that I have examined 6 the return including -- take a look at the signature 7 block language on Exhibit 1, part II. Do you see that? 8 A. Yes. 9 Q. It says, I examined the return, including the 10 accompanying schedules and statements. Correct? 11 MR. GARMAN: Objection to form. 12 A. Where are you -- where are you reading? 13 Q. (BY MR. SHEEHAN) It says -- if you look at 14 part II, signature block on Exhibit 1, it says, Under 15 penalties of perjury, I declare that I've examined this 16 return -- 17 A. I see that. 18 Q. Okay. 19 A. Right. 20 Q. And to the best of my knowledge and belief, it 21 is true and correct and complete. 22 So what -- 23 A. That is correct. 24 Q. Of what did your examination of the Exhibit 1 25 consist?</p> <p style="text-align: right;">Page 51</p> | <p>1 the completion of the IRS 990 for 2019 for the NRA? 2 A. I did not. 3 Q. All right. Did you review any memos from the 4 Aronson firm concerning the 2019 2020 -- I'm sorry. 5 Did you review any memos or other documents 6 from the Aronson firm concerning the preparation of the 7 2019 990? 8 A. I did not. 9 Q. In prior years, Craig Spray is the person who 10 signed off on the 990 that is 2018 and 2017. Can you 11 tell me why Craig Spray did not sign the 2019? 12 MR. GARMAN: Objection as to form. 13 A. I don't. I did not talk to Craig Spray about 14 why he didn't sign the 990. I didn't have a 15 conversation with him about it. 16 Q. (BY MR. SHEEHAN) Did you personally decide to 17 sign the 990 for 2019 yourself? 18 A. I told everybody I would be happy to sign it 19 because I was proud of it because it reflected all 20 the -- a lot of the self-correction work that the NRA 21 had started into from 2017 forward when we -- after the 22 Schneiderman call where we hired Morgan Lewis to help us 23 with governance, and then we -- we had started down this 24 path of looking at everything, self-correcting and 25 self-improving, improving our compliance controls,</p> <p style="text-align: right;">Page 53</p> |

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| <p>1 making sure they were robust. And it reflected a lot of</p> <p>2 the work that we had done, so I was proud to sign it.</p> <p>3 Q. Let me -- you say that you hired Morgan Lewis</p> <p>4 to help you with governance. When was that?</p> <p>5 A. It was after the Schneiderman call. We</p> <p>6 retained Morgan Lewis, one of the top nonprofit firms,</p> <p>7 to -- because everything General Schneiderman said to</p> <p>8 Tom King made sense to me. We didn't know whether --</p> <p>9 whether or not what he said was going to happen, which</p> <p>10 was the other side was going to improperly use the</p> <p>11 government or state to target the NRA. We weren't sure</p> <p>12 that it happened, but --</p> <p>13 (Reporter clarification.)</p> <p>14 MR. GARMAN: Yeah, so Mr. Sheehan, I</p> <p>15 think we're having the same microphone issue on your</p> <p>16 side. It is actually hard to hear you at points with</p> <p>17 the paper.</p> <p>18 MR. SHEEHAN: I'm not sure what, frankly,</p> <p>19 to do about that, because I do need my documents, but</p> <p>20 let's -- I will make an effort to avoid rustling papers</p> <p>21 during the answer.</p> <p>22 Q. (BY MR. SHEEHAN) Mr. LaPierre --</p> <p>23 A. When General Schneiderman said -- said that, I</p> <p>24 mean, we didn't know whether it was going to happen or</p> <p>25 not happen. When he said that they were making a huge</p> <p style="text-align: right;">Page 54</p> | <p>1 Q. (BY MR. SHEEHAN) What Morgan Lewis people did</p> <p>2 you have conversations about these issues?</p> <p>3 A. I can't -- I can't -- I can't remember.</p> <p>4 Q. Not a single Morgan Lewis lawyer that you can</p> <p>5 remember?</p> <p>6 MR. GARMAN: Objection as to form.</p> <p>7 A. I can't remember. That goes back primarily</p> <p>8 to 2017, although we had some additional opinions as</p> <p>9 we were going through this whole NRA issues over the</p> <p>10 last several years on whether what we were doing was</p> <p>11 proper --</p> <p>12 MR. GARMAN: Hold on. Hold on. Hold on.</p> <p>13 I think you're talking about your communications with</p> <p>14 Morgan Lewis.</p> <p>15 THE WITNESS: Right.</p> <p>16 MR. GARMAN: I'm not sure, but if you</p> <p>17 are --</p> <p>18 THE WITNESS: I am.</p> <p>19 MR. GARMAN: -- I would instruct you not</p> <p>20 to go any further.</p> <p>21 Q. (BY MR. SHEEHAN) Mr. LaPierre, did you rely</p> <p>22 upon Morgan Lewis' advice in making the changes to</p> <p>23 conform to New York state nonprofit law?</p> <p>24 A. We relied on Morgan Lewis. We also later on,</p> <p>25 as we -- as -- we retained the Brewer firm as the -- as</p> <p style="text-align: right;">Page 56</p> |
| <p>1 effort to improperly use the government of the New York</p> <p>2 state to target the NRA, he disagreed with that. He</p> <p>3 thought it was an improper use of government.</p> <p>4 But he thought we ought to do this major</p> <p>5 safety check, compliance review to make sure that we</p> <p>6 were in complete compliance with New York state</p> <p>7 not-for-profit law. So we hired -- the first thing we</p> <p>8 did, we hired Morgan Lewis, one of the top nonprofit</p> <p>9 firms, to help with governance issues and to start the</p> <p>10 NRA down that road, which we have continued down that</p> <p>11 road in 2017, 2018, 2019, 2020 and continue today down</p> <p>12 that road to improve.</p> <p>13 Q. So who at Morgan Lewis undertook the review?</p> <p>14 MR. GARMAN: You can tell him who at</p> <p>15 Morgan Lewis, but I instruct you not to discuss the</p> <p>16 content of the communication.</p> <p>17 A. You would need to talk to our general</p> <p>18 counsel's office to see who they communicated with</p> <p>19 primarily on that.</p> <p>20 Q. (BY MR. SHEEHAN) So is it fair to say you</p> <p>21 never communicated with Morgan Lewis on that?</p> <p>22 MR. GARMAN: Objection to form.</p> <p>23 A. I -- I had some conversations with the Morgan</p> <p>24 Lewis people, but most of it was done by counsel --</p> <p>25 counsel.</p> <p style="text-align: right;">Page 55</p> | <p>1 what General Schneiderman told us was going to happen</p> <p>2 started to play out --</p> <p>3 Q. Mr. LaPierre, I asked you did you rely upon</p> <p>4 Morgan Lewis's advice. That was the question. What's</p> <p>5 your answer?</p> <p>6 A. Yes, we did.</p> <p>7 Q. Okay. And did you rely upon their advice in</p> <p>8 performing your duties as the executive vice president</p> <p>9 of the NRA?</p> <p>10 MR. GARMAN: Objection as to form.</p> <p>11 A. The work that went on with Morgan Lewis was</p> <p>12 primarily work that went on with our -- with our general</p> <p>13 counsel's office. I did not -- was not involved</p> <p>14 in-depth with the -- with the work that was going on</p> <p>15 with Morgan Lewis.</p> <p>16 Q. (BY MR. SHEEHAN) What governance changes did</p> <p>17 the NRA make between the alleged Schneiderman call in</p> <p>18 the summer of 2017 and the retention of the Brewer firm</p> <p>19 in 2018?</p> <p>20 MR. GARMAN: Objection as to form.</p> <p>21 A. You would have to ask our general counsel</p> <p>22 that. The Brewer -- the Morgan Lewis firm, I think,</p> <p>23 were concentrating on a more general basis, in terms of</p> <p>24 governance and the IRS, to make sure NRA was in</p> <p>25 compliance. And that would be a treasurer's office</p> <p style="text-align: right;">Page 57</p> |

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| <p>1 issue, a general counsel's office issue as opposed to a</p> <p>2 lot of the more specific litigation type issues that the</p> <p>3 Brewer firm got involved with, which -- which involved</p> <p>4 the department of financial services. It also involved</p> <p>5 the attorney general's office in New York after the</p> <p>6 attorney general said during her campaign that she --</p> <p>7 Q. (BY MR. SHEEHAN) Mr. LaPierre, that is</p> <p>8 totally nonresponsive to my question.</p> <p>9 MR. SHEEHAN: The court reporter,</p> <p>10 Ms. Brandt, could you read back the question again?</p> <p>11 (Requested testimony read.)</p> <p>12 MR. GARMAN: Objection as to form.</p> <p>13 A. And my answer is I'm not sure because I wasn't</p> <p>14 the principal one working with Morgan Lewis in terms of</p> <p>15 their work at that time.</p> <p>16 Q. (BY MR. SHEEHAN) And the -- do you know what</p> <p>17 the inquiry that was conducted by Morgan Lewis was</p> <p>18 between the alleged Schneiderman call and when the</p> <p>19 Brewer firm was hired?</p> <p>20 MR. GARMAN: Objection.</p> <p>21 MR. SHEEHAN: I am asking whether he</p> <p>22 knows it.</p> <p>23 MR. GARMAN: I understand. You can</p> <p>24 answer yes or no to that.</p> <p>25 A. I'm sorry. Could you read me the question</p> <p style="text-align: right;">Page 58</p> | <p>1 of government and -- and he talked about the tremendous</p> <p>2 pressure being put on to go down that route.</p> <p>3 And I thought, yeah, it was a very real threat</p> <p>4 to the NRA, which is why I thought it made sense to</p> <p>5 begin to -- to do what the attorney general recommended,</p> <p>6 which made sense whether the investigation was going to</p> <p>7 happen or not.</p> <p>8 Look, I'm not a CPA. I'm not a lawyer. I'm</p> <p>9 not a tax person or anything like that. But I just</p> <p>10 thought it made good sense in general to take a look at</p> <p>11 everything the NRA was doing, every employee, every</p> <p>12 vendor, everything, and see if we were in compliance.</p> <p>13 Because if the investigation happened, that would be a</p> <p>14 good thing, and we would be prepared to proudly show</p> <p>15 everything we had done. And if it didn't happen, it was</p> <p>16 still a good thing to do.</p> <p>17 Q. Did Morgan Lewis ever interview you?</p> <p>18 A. I don't think they interviewed me, no.</p> <p>19 Q. Did you get any written reports from Morgan</p> <p>20 Lewis? "You" meaning you, Wayne LaPierre, personally.</p> <p>21 MR. GARMAN: Answer the question yes or</p> <p>22 no.</p> <p>23 A. No.</p> <p>24 Q. (BY MR. SHEEHAN) Did -- did the Aronson firm</p> <p>25 refuse to sign the Exhibit 1?</p> <p style="text-align: right;">Page 60</p> |
| <p>1 again?</p> <p>2 Q. (BY MR. SHEEHAN) The question is do you know</p> <p>3 what inquiry the Morgan Lewis firm conducted between the</p> <p>4 alleged Schneiderman call and when the Brewer firm was</p> <p>5 hired concerning governance or the tax status of the</p> <p>6 NRA?</p> <p>7 MR. GARMAN: I instruct you not to invade</p> <p>8 the attorney/client privilege, but you can answer.</p> <p>9 A. No, I don't know specifically. I was so busy</p> <p>10 at that time with the -- with my other responsibilities.</p> <p>11 You had the Las Vegas shooting. You had the Somerville</p> <p>12 shooting. You had -- and I was -- I wasn't the one</p> <p>13 specifically working with Morgan Lewis on what they were</p> <p>14 working on.</p> <p>15 Q. (BY MR. SHEEHAN) In your view, was the</p> <p>16 alleged Schneiderman call a basis to believe the very</p> <p>17 existence of the NRA was at stake?</p> <p>18 A. It was in my belief that Attorney General</p> <p>19 Schneiderman relayed very clearly that the whole effort</p> <p>20 to weaponize the government of New York state from the</p> <p>21 AG's office, starting with the AG's office, but also</p> <p>22 going to the department of financial services, involved</p> <p>23 an attempt to destroy the National Rifle Association by</p> <p>24 using the incorporation of New York state and its</p> <p>25 nonprofit status, and he thought that was improper use</p> <p style="text-align: right;">Page 59</p> | <p>1 A. I don't know.</p> <p>2 Q. The numbers that are in part I of the 990,</p> <p>3 where do they come from, that is the -- sorry, in the</p> <p>4 revenue and expenses and assets sections, where do those</p> <p>5 numbers come from?</p> <p>6 A. They would have been prepared by our -- our</p> <p>7 treasurer's office, to the best of my knowledge, by our</p> <p>8 tax professionals on the inside and the outside and</p> <p>9 working with our general counsel's office.</p> <p>10 Q. Do you know whether those numbers are</p> <p>11 accurate?</p> <p>12 A. Well, all I can do is rely on the</p> <p>13 professionals that we hire and trust, and they presented</p> <p>14 them as accurate to me, and I -- I rely on their</p> <p>15 professionalism and I trust them.</p> <p>16 Q. Okay. So you made no independent inquiry to</p> <p>17 determine if the numbers were correct in part II of --</p> <p>18 sorry -- part I of the Exhibit 1?</p> <p>19 MR. GARMAN: Objection as to the form of</p> <p>20 that question.</p> <p>21 A. I think I'm entitled to rely on our</p> <p>22 professionals that that's their job to do and their --</p> <p>23 and their good work. And I trust them, they're</p> <p>24 competent people, and I relied on their -- I relied on</p> <p>25 them.</p> <p style="text-align: right;">Page 61</p> |

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| <p>1 Q. (BY MR. SHEEHAN) Okay. So let's go to page 4 2 of the 2019 990. And if you would look at questions 25a 3 and b. Do you see that question, Mr. LaPierre? 4 A. Did the organization -- (witness reading to 5 himself.) 6 Q. You're being pretty tough on Ms. Brandt. 7 MR. SHEEHAN: Can you get all that, 8 Ms. Brandt? 9 THE REPORTER: No. 10 Q. (BY MR. SHEEHAN) Okay. Can you go more 11 slowly? 12 A. I was just reading what the question said in 13 those two sections. 14 Q. And you'll see in 25a and b -- and we'll go 15 back to what they say in a minute -- that the box is 16 checked yes to both of those questions. Correct? 17 A. Correct. 18 Q. And you understand that checking the box yes 19 to that means the corporation did engage in an excess 20 benefit transaction with a disqualified person during 21 the year. Is that correct? 22 MR. GARMAN: Objection to form. 23 Go ahead. 24 A. That's correct. 25 Q. (BY MR. SHEEHAN) And with respect to question Page 62</p> | <p>1 jeopardy? 2 MR. GARMAN: Objection to the form of 3 that question. 4 A. You know, I'm not a lawyer. I mean, I -- 5 you're asking legal issues. I am not an expert on New 6 York not-for-profit law or -- I -- I really don't know 7 the -- didn't know -- don't know the answer to that 8 question. 9 Q. (BY MR. SHEEHAN) So Mr. LaPierre, after 10 Morgan Lewis went through and did the review in the 11 summer of 2017 through 2018, after Mr. Brewer and his 12 firm spent \$2 million a month of your money making sure 13 you're 100 percent compliant, why is it that the NRA 14 in -- for 2019 was not compliant with the excess 15 benefits for disqualified persons standard? 16 MR. CORRELL: This is Mr. Correll. 17 Objection to form. 18 MR. GARMAN: Objection to the form of the 19 question. And I'm instructing you not to answer that 20 question to the extent that it only could come from your 21 conversations with counsel. 22 Q. (BY MR. SHEEHAN) All right. Let me phrase it 23 more specifically. 24 Why is it, Mr. LaPierre, that after you told 25 the Court in February of 2021 that the NRA was Page 64</p> |
| <p>1 25b, is the organization aware it engaged in an excess 2 benefit transaction with a disqualified person in a 3 prior year and that the transaction has not been 4 reported on any of the organization's prior forms 990 or 5 990-EZ, was that answer true, correct and complete when 6 you signed this 990 in November of 2020? 7 MR. GARMAN: Objection to form. 8 Go ahead. 9 A. You know, I relied on the professional opinion 10 of our lawyers, our tax preparers and our treasurer's 11 office on that, so I -- I -- I relied on their judgment. 12 Q. (BY MR. SHEEHAN) Do you believe today that 13 those two answers are correct, that is 25a and 25b on 14 part IV of Exhibit 1? 15 A. I have no knowledge that they're not correct. 16 I don't know why they wouldn't be correct. 17 Q. Did you ask anyone at the NRA why we are 18 checking yes to those two boxes, that is 25a and 25b of 19 the part IV of the 990? 20 A. I did not. I assumed that they knew what they 21 were -- they were competent in terms of the areas they 22 were dealing with and they prepared it appropriately. 23 Q. At the time that you signed Exhibit 1, did you 24 know that engaging in an excess benefit transaction with 25 a disqualified person put the NRA's tax exemption in Page 63</p> | <p>1 100 percent compliant, that the most recent IRS 990 2 filed by the NRA says you're not? 3 MR. GARMAN: Objection. Objection to the 4 form of the question. That's not what it says. 5 Q. (BY MR. SHEEHAN) You can answer, 6 Mr. LaPierre. 7 A. I believe that the NRA has gone through an 8 unbelievable process that I took the lead on, starting 9 in 2017. As you heard me say before, Mr. Sheehan, if I 10 lose every friend I've ever made, we are going down this 11 principal path of looking at every employee, every 12 vendor, everything. And if there's something that needs 13 to be self-corrected, we're going to do it. And I don't 14 care what the fallout is, and no one is going to drag us 15 from that principle path. 16 And we started in 2017. We started throughout 17 2018. We started compliance seminars in 2018. In 2019, 18 we were very proud of the fact that we had gotten to the 19 point where we were -- the new audit firm, despite of it 20 being aware of all the other issues -- whatever other 21 issues there were, looked at controls, looked at 22 everything, gave us a clean audit. And we continued to 23 improve in 2020. 24 I think it's a positive story for this 25 organization. I think it's a great story. And I don't Page 65</p> |

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| <p>1 think the organization could have been working harder to</p> <p>2 go down the principal path of trying to be in complete</p> <p>3 compliance with New York state or any other state's</p> <p>4 nonprofit law.</p> <p>5 Q. Okay. Let me ask you -- let me ask you this.</p> <p>6 If you look at part V, the question 1c, did the</p> <p>7 organization comply with backup withholding rules for</p> <p>8 reportable payments to vendors and reportable gaming --</p> <p>9 gambling winnings to prizewinners, and the box is</p> <p>10 checked yes. How did you know that was true?</p> <p>11 MR. GARMAN: Objection to the form of the</p> <p>12 question.</p> <p>13 A. I relied on our professional tax preparers,</p> <p>14 our tax office and our general counsel's office that all</p> <p>15 worked on this form, and I relied on their</p> <p>16 professionalism. I had trust placed in them to do this</p> <p>17 honestly and accurately.</p> <p>18 Q. (BY MR. SHEEHAN) Are there workpapers related</p> <p>19 to the preparation of the 2019 990 at the NRA?</p> <p>20 A. I don't know the answer to that.</p> <p>21 Q. Did you review any workpapers before signing</p> <p>22 this return that was true, correct and complete?</p> <p>23 A. I did not.</p> <p>24 Q. Does the NRA have any gaming or gambling</p> <p>25 winnings for prizewinners?</p> <p>Page 66</p> | <p>1 question.</p> <p>2 A. Our treasurer's office, our tax preparers and</p> <p>3 our general counsel's office would -- I assume would</p> <p>4 know.</p> <p>5 Q. (BY MR. SHEEHAN) But you yourself, having</p> <p>6 signed this document saying it's true, correct and</p> <p>7 complete, do not know whether that answer is true,</p> <p>8 correct, and complete?</p> <p>9 MR. GARMAN: Objection to the form of the</p> <p>10 question.</p> <p>11 A. I believe it is because I -- I rely on</p> <p>12 professionals in this field, in this building, out of</p> <p>13 this building, professional tax preparers out of this</p> <p>14 building, lawyers in this building and I rely on all of</p> <p>15 our treasurer's office people. So as far as I know,</p> <p>16 based on my reliance on them and the trust I place in</p> <p>17 them and the belief they are professional, hard working</p> <p>18 people, that these are -- this is accurate, that they do</p> <p>19 good work. I couldn't possibly be involved in every bit</p> <p>20 of detail, given all the rest of my responsibilities</p> <p>21 where we talked about everything I'm doing.</p> <p>22 Q. (BY MR. SHEEHAN) Mr. LaPierre, what I am</p> <p>23 trying to find out is apart from trust and belief, what</p> <p>24 effort did you make to make sure that the 990,</p> <p>25 Exhibit 1, was accurate and correct?</p> <p>Page 68</p> |
| <p>1 MR. GARMAN: Object to the form of the</p> <p>2 question.</p> <p>3 A. You know, I -- you know, that's an issue that</p> <p>4 you'd have to ask the tax preparers what they were</p> <p>5 referring to. I mean, I would be speculating on what</p> <p>6 they're talking about when you get into that. I mean,</p> <p>7 I'll give you an example I know. We have a sweepstakes</p> <p>8 where we do a truck raffle, so maybe it's referring to</p> <p>9 that.</p> <p>10 MR. GARMAN: Don't speculate.</p> <p>11 A. But I'm speculating.</p> <p>12 Q. (BY MR. SHEEHAN) Do you know with respect to</p> <p>13 the truck raffle whether the backup withholding</p> <p>14 requirements are -- I'm sorry, do you know with respect</p> <p>15 to the truck raffle whether the reportable winnings</p> <p>16 were, in fact, reported?</p> <p>17 MR. GARMAN: Object to the form of the</p> <p>18 question.</p> <p>19 A. It's actually a truck sweepstakes that we do</p> <p>20 through our magazines and -- and through the mail. I'm</p> <p>21 not the guy on the specifics on all that.</p> <p>22 Q. (BY MR. SHEEHAN) So you don't know the answer</p> <p>23 of what is done with respect to reporting the winnings</p> <p>24 as recited on part V, 1c?</p> <p>25 MR. GARMAN: Object to the form of the</p> <p>Page 67</p> | <p>1 MR. GARMAN: Objection. You have asked</p> <p>2 him that question. He's answered it now. He can answer</p> <p>3 again.</p> <p>4 Q. (BY MR. SHEEHAN) Mr. LaPierre?</p> <p>5 A. I relied on the professional work of our</p> <p>6 treasurer's office, our general counsel's office, the</p> <p>7 outside tax preparers and all the work that they put in</p> <p>8 to putting this document together.</p> <p>9 Q. Okay. Let's go to part VI and look at</p> <p>10 question number 5. Do you see question number 5 on part</p> <p>11 VI?</p> <p>12 A. I do.</p> <p>13 Q. Did the organization become aware during the</p> <p>14 year of a significant diversion of the organization's</p> <p>15 assets? And you'll see the answer is checked yes. What</p> <p>16 did you do to inform yourself about whether that answer</p> <p>17 was correct?</p> <p>18 MR. GARMAN: Objection to the form of the</p> <p>19 question.</p> <p>20 Go ahead.</p> <p>21 A. My answer is to say I relied on the</p> <p>22 professional opinions of our tax preparers, our</p> <p>23 treasurer's office and our general counsels, that</p> <p>24 they -- in preparing this document.</p> <p>25 Q. (BY MR. SHEEHAN) Do you know, Mr. LaPierre,</p> <p>Page 69</p> |

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| <p>1 what the -- what this means, what it means to have a 2 significant diversion of subassets of the organization? 3 A. I -- I don't know that I know the legal 4 definition of what that means. 5 Q. What is the legal definition of what that 6 means? 7 A. I don't know that I know what the legal 8 definition of what that means is. 9 Q. What is it? 10 MR. GARMAN: He just said he doesn't 11 know. 12 MR. SHEEHAN: No, he said he does know 13 what -- 14 Q. (BY MR. SHEEHAN) I'm sorry. What is your 15 understanding of what the legal definition of diversion 16 of assets means? 17 MR. GARMAN: Objection. Counsel, he said 18 he does not know. 19 A. I don't know. 20 Q. (BY MR. SHEEHAN) Okay. 21 A. I said I don't know the legal definition of 22 what that means. 23 Q. That is, you don't -- you don't know what a 24 significant diversion of the organization's assets is? 25 MR. GARMAN: Objection to the form of the Page 70</p> | <p>1 what you just said. I don't know whether that's true or 2 not true. 3 Q. (BY MR. SHEEHAN) Are you aware that in the 4 charities world, that the -- answering yes to question 5 5 on part VI means the Charity Navigator, among other 6 watch dogs, will not rate your organization? 7 MR. GARMAN: Objection lack of 8 foundation, objection to the extent it calls for a legal 9 conclusion, objection to the form. 10 Q. (BY MR. SHEEHAN) Mr. LaPierre? 11 A. I am not -- I have heard of Charity Navigator. 12 I am not aware of how -- how this applies to what they 13 do. And I just -- it's not my area of expertise. 14 Q. Do you know that less than 1/2 of 1 percent of 15 charities that file electronically, like the NRA, with 16 the IRS report yes to question 5? 17 MR. GARMAN: Objection, lack of 18 foundation. Object to the form of the question. 19 A. Yeah, I wouldn't have any basis to know that. 20 Keep in mind, if -- and I assume -- and our 21 treasurer's office and tax preparers and our outside tax 22 preparers can talk about this, but whatever they're 23 doing on any of this is in the context of this whole 24 self-correction in terms of what the NRA is doing to 25 make sure we're in 100 percent compliance and best Page 72</p> |
| <p>1 question, calls for a legal conclusion, asked and 2 answered. 3 Q. (BY MR. SHEEHAN) Mr. LaPierre? 4 A. I am just not aware of that legal terminology 5 and what it means. I -- I trusted our general counsel's 6 office, our treasurer and our professional tax preparers 7 understand it completely when they answered the 8 question. 9 Q. Do you know, Mr. LaPierre, how frequently the 10 NRA has reported that it had a significant diversion of 11 its organization's assets during the time that you've 12 been the executive vice president of the NRA? 13 MR. GARMAN: Objection to the form of the 14 question. 15 A. I do not know that. 16 Q. (BY MR. SHEEHAN) Isn't it true that in the 17 entire time that you've been at the NRA that answer has 18 never been answered yes before? 19 MR. GARMAN: Objection to the form of the 20 question. 21 Q. (BY MR. SHEEHAN) The answer to question 5 on 22 part VI. 23 MR. GARMAN: Objection to the form of the 24 question. You're being argumentative now. 25 A. I don't -- I don't know. I'm not aware of Page 71</p> | <p>1 practices with nonprofit law. So I mean, it -- it -- 2 you know. 3 Q. Mr. LaPierre, did you -- you mentioned two 4 compliance training programs, one in 2018 and one in 5 2019. Did you attend the full session of either of 6 those compliance training programs? 7 MR. GARMAN: Objection to the form of the 8 question. He didn't mention any such training program. 9 Q. (BY MR. SHEEHAN) Mr. LaPierre, you can 10 answer. 11 A. Yeah, I -- I do not think I attended it. I 12 was aware of what they were -- what they were -- of what 13 the content of what they were relaying. 14 Q. Do you think it's important for the CEO and 15 executive vice president of an organization to show its 16 support for compliance program by at least showing up to 17 the training programs? 18 MR. GARMAN: Objection to the form of the 19 question. 20 A. I actually would do that from now on if we do 21 another one, but I had read what they were -- I was very 22 much aware of what they were going down and what it 23 contained and the information they were relaying. 24 Q. (BY MR. SHEEHAN) And in fact, the 25 representative that you sent to the first session in Page 73</p> |

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| <p>1 2018 was Josh Powell. Correct?</p> <p>2 MR. GARMAN: Objection, lack of</p> <p>3 foundation. Object to the form of the question.</p> <p>4 A. I believe that's correct. Mr. Spray had had a</p> <p>5 heart attack. Mr. Powell was filling in for him. And</p> <p>6 you're correct, I believe it was Mr. Powell.</p> <p>7 Q. (BY MR. SHEEHAN) And so the person that you</p> <p>8 put in charge of communicating the compliance program to</p> <p>9 the employees of the NRA was a person that a year later</p> <p>10 you would fire for improper expense reports to the NRA.</p> <p>11 Is that correct?</p> <p>12 MR. GARMAN: Objection to the form of the</p> <p>13 question.</p> <p>14 A. As I said, Mr. Powell was filling in for</p> <p>15 Mr. Spray and, unfortunately, yes, a year later we did</p> <p>16 end up letting Mr. Powell go as part of -- as part of</p> <p>17 the fact that we -- compliance is an everyday rule of</p> <p>18 life around the organization now. There are no</p> <p>19 exception. If someone is not complying, they face</p> <p>20 consequences.</p> <p>21 Q. (BY MR. SHEEHAN) All right. So let us go now</p> <p>22 to question 11a on the 990. That is part VI. Has the</p> <p>23 organization provided a complete copy of this Form 990</p> <p>24 to all members of its governing body before filing the</p> <p>25 form? And the box is checked no. Is that answer</p> <p style="text-align: right;">Page 74</p> | <p>1 Q. (BY MR. SHEEHAN) Do you know with respect to</p> <p>2 Exhibit 1 when that was given to all members of the</p> <p>3 board of directors?</p> <p>4 A. I don't know when it was given to our board of</p> <p>5 directors.</p> <p>6 Q. Do you know with respect to the 990, Exhibit</p> <p>7 1, for 2019 when it was given to all members of the</p> <p>8 audit committee?</p> <p>9 A. I don't know when it was given to the audit</p> <p>10 committee. You'll have to ask our treasurer's office or</p> <p>11 our general counsel's office.</p> <p>12 Q. Do you know whether the completed 990, as</p> <p>13 filed with the New York Attorney General's Office, was</p> <p>14 ever given to either the audit committee or to the board</p> <p>15 of directors?</p> <p>16 MR. GARMAN: Objection as to the form.</p> <p>17 A. I -- I believe the 990 was given both to our</p> <p>18 audit committee and our board of directors.</p> <p>19 Q. (BY MR. SHEEHAN) And what do you base that</p> <p>20 belief on?</p> <p>21 A. The fact -- the fact that the NRA was working</p> <p>22 intensively on compliance, on controls. As I said, it's</p> <p>23 an ongoing process. The audit committee has been</p> <p>24 brought into all of this. The board of directors has</p> <p>25 been brought into all of this, and -- and I believe this</p> <p style="text-align: right;">Page 76</p> |
| <p>1 correct?</p> <p>2 MR. GARMAN: Objection to the form of the</p> <p>3 question.</p> <p>4 Go ahead.</p> <p>5 A. Again, this was prepared by our general</p> <p>6 counsel's office, our -- our --</p> <p>7 Q. (BY MR. SHEEHAN) Mr. LaPierre, the question</p> <p>8 is is the answer to that question correct on 11a of part</p> <p>9 VI?</p> <p>10 A. I assume -- I assume it is correct because it</p> <p>11 was prepared by these professionals and relying on their</p> <p>12 professional judgment -- professional work. I believe</p> <p>13 that answer is correct.</p> <p>14 Q. Did anyone give the IRS 990 that was filed</p> <p>15 with the Attorney General's Office of New York to all</p> <p>16 members of the governing body before it was filed?</p> <p>17 MR. GARMAN: Objection to the form.</p> <p>18 A. I don't know the answer to that.</p> <p>19 Q. (BY MR. SHEEHAN) Is there a practice within</p> <p>20 the NRA of distributing the 990 that is to be filed with</p> <p>21 the board before the filing occurs?</p> <p>22 MR. GARMAN: Objection to the form.</p> <p>23 A. I'm -- as far as I know, the 990s are</p> <p>24 distributed through our board of directors to be -- to</p> <p>25 be looked at. I'm not sure exactly when that occurs.</p> <p style="text-align: right;">Page 75</p> | <p>1 form was shown to all of them.</p> <p>2 Q. And what do you base that belief on?</p> <p>3 MR. GARMAN: Objection to the form.</p> <p>4 A. I base it on -- one, I believe our attorneys</p> <p>5 were working with the audit committee on all of this in</p> <p>6 making them aware of everything, and I -- I -- the NRA,</p> <p>7 as a practice, I remember always talked about the 990</p> <p>8 being available to the board.</p> <p>9 Q. (BY MR. SHEEHAN) Do you believe it's an</p> <p>10 important part of an effective compliance program to</p> <p>11 distribute the 990 to the governing body before it's</p> <p>12 filed?</p> <p>13 MR. GARMAN: Objection as to the form of</p> <p>14 the question.</p> <p>15 A. You know, I'm not aware -- again, you're</p> <p>16 getting into an area where I'm not an expert on. I know</p> <p>17 the 990 was made available to our board. I don't know</p> <p>18 whether it's made available to them before it's filed or</p> <p>19 not.</p> <p>20 Q. (BY MR. SHEEHAN) And you don't know whether</p> <p>21 it's made available -- you don't know whether it's made</p> <p>22 available to them after it's filed either. Right?</p> <p>23 MR. GARMAN: Objection to the form of the</p> <p>24 question.</p> <p>25 A. Pardon me. Made available -- I'm sorry?</p> <p style="text-align: right;">Page 77</p> |

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| <p>1 Q. (BY MR. SHEEHAN) I'm sorry. You don't know 2 whether the Form 990 is made available to the members of 3 the board of directors after it was filed, Exhibit 1? 4 MR. GARMAN: Objection to the form of the 5 question. 6 A. I testified that I believe the 990 is always 7 made available to our board of directors at one of the 8 board -- at one of the board meetings. 9 Q. (BY MR. SHEEHAN) How was the 990 made 10 available to the board members at a board meeting for 11 2019? 12 A. I -- 13 MR. GARMAN: Objection to the form. 14 Go ahead. 15 A. The way it is usually done, and I have not -- 16 2020 has been such a crazy year because of COVID and all 17 that, that the way it's usually done is the general 18 counsel, the secretary makes an announcement that the 19 990s are available in -- in the back of the room for 20 board members to pick up and look at. 21 Q. (BY MR. SHEEHAN) Are the board members 22 permitted -- I'm sorry, go ahead. 23 A. To my recollection, that's the way it's 24 usually done. 25 Q. Okay. They're allowed to pick it up and look</p> <p style="text-align: right;">Page 78</p> | <p>1 Q. (BY MR. SHEEHAN) Okay. Has any member of the 2 board of directors ever asked you any questions about 3 the 990s that have been filed by the NRA? 4 A. No, not that I -- not that I recall. 5 Q. Okay. Let's go to question 12a. All right. 6 Did the NRA have a written conflict of interest policy? 7 The box is checked yes. To your knowledge, is that 8 correct? 9 A. Yes, I believe that's correct. 10 Q. 12b, were officers, directors or trustees and 11 key employees required to disclose annually interests 12 that could give rise to conflicts? And that box is 13 checked yes. To your knowledge, is that correct? 14 A. Yeah. 15 Q. With respect to question 12C, did the 16 organization regularly and consistently monitor and 17 enforce compliance with the policy? The box is checked 18 yes. To your knowledge, was that correct at the time 19 for the year 2019? 20 A. Yes, it is. Part of the -- part of the 21 360-degree review of this organization, self-correction 22 and safety checks, look at everything to make sure NRA 23 is in complete compliance and improve anything that 24 needed to be improved. 25 In the past, I know that one of the things NRA</p> <p style="text-align: right;">Page 80</p> |
| <p>1 at it. Can they take it home? 2 A. I don't know the -- I don't know the answer to 3 that. 4 Q. Okay. Let's go to question 12a. 5 MR. SHEEHAN: Let's take a short break. 6 MR. GARMAN: Did you say a break, 7 Counsel? 8 MR. SHEEHAN: Actually, I think we can go 9 ahead. Well, we can go ahead. Let's do this. 10 Q. (BY MR. SHEEHAN) Can you tell me, 11 Mr. LaPierre, in the ordinary course, is that 990 made 12 available -- 13 MR. GARMAN: Jim, we went off. Are we 14 back on? 15 THE VIDEOGRAPHER: Yes. 16 MR. GARMAN: Okay. We're back on. We 17 went off, but we're back on I guess. 18 MR. SHEEHAN: Okay. Thank you. 19 Q. (BY MR. SHEEHAN) Was the 990 made available 20 to the members of the board of directors before or after 21 it was filed? 22 MR. GARMAN: Objection to the form of the 23 question. 24 A. I'm not sure. I think it was made available 25 to them after it was filed.</p> <p style="text-align: right;">Page 79</p> | <p>1 improved on and worked on was to make sure that -- and 2 with the audit committee also and with the board, that 3 it updated and improved all of its -- all of its 4 policies in this area. 5 Q. So in your opinion, Mr. LaPierre, does the NRA 6 consistently and regularly enforce -- let me go back. 7 During 2019, did the NRA consistently -- let 8 me start again. 9 During 2019, did the organization regularly 10 and consistently monitor and enforce compliance with a 11 conflict of interest policy? 12 MR. GARMAN: Objection to the form of the 13 question. 14 You can answer. 15 A. I believe in 2019 the NRA -- the NRA did. The 16 NRA as part of its compliance reviews, its safety checks 17 and its complete desire to bring this organization -- to 18 not let anyone drag it off course, that the organization 19 was doing that in 2019. 20 Q. (BY MR. SHEEHAN) How about 2018? 21 MR. GARMAN: Objection to the form of the 22 question. 23 A. I -- 24 Q. (BY MR. SHEEHAN) Go ahead, Mr. LaPierre. 25 A. I think it was an ongoing process of, as I</p> <p style="text-align: right;">Page 81</p> |